City of Pittsburg, Kansas Commission Meeting Agenda Tuesday, July 8, 2025 5:30 p.m.

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CITY OF PITTSBURG, KANSAS COMMISSION AGENDA Tuesday, July 08, 2025 5:30 PM

CALL TO ORDER BY THE MAYOR:

- a. Flag Salute Led by the Mayor
- b. Public Input

CONSENT AGENDA (ROLL CALL VOTE):

- a. Approval of the June 24, 2025, City Commission Meeting minutes.
- b. Approval of the application submitted by Harold Leroy Smith for a Cereal Malt Beverage License for the annual celebration to honor the life of Brandon Smith to be held at the Frisco Event Center (210 East 4th Street) from 4:00 p.m. until 11:00 p.m. on Saturday, July 26th, 2025, and authorize the City Clerk to issue the license.
- c. Approval of staff recommendation to enter into an agreement between the City of Pittsburg, Kansas, and the Secretary of Transportation, Kansas Department of Transportation (KDOT), in which KDOT will contribute funding in the amount of \$81,000 toward the update of the Kansas Airport Improvement Plan for the Atkinson Municipal Airport, with the City's contribution to be \$9,000, and authorize the Mayor to sign the agreement on behalf of the City.
- d. Approval of the Appropriation Ordinance for the period ending July 8, 2025, subject to the release of HUD expenditures when funds are received.

CONSIDER THE FOLLOWING:

- a. EAGLEPICHER TECHNOLOGIES, LLC, LEASE Consider approval of a Lease Agreement by and between the City of Pittsburg, Kansas, as the Landlord, and EaglePicher Technologies, LLC, as the Tenant, for the new facility to be built in Pittsburg. Approve or disapprove staff recommendation and, if approved, authorize the Mayor to sign the Lease Agreement on behalf of the City.
- b. RESOLUTION NO. 1295 Consider approval of Resolution No. 1295, a Resolution of the Governing Body of The City of Pittsburg, Kansas, determining that the City is considering a substantial change to an existing Rural Housing Incentive District to extend the timeframe for such district; providing for a substantial change to the District Plan; and providing for Notice of a Public Hearing to consider such actions (Silverback Landing Phase 1 Rural Housing Incentive District). Approve or disapprove Resolution No. 1295 and, if approved, authorize the Mayor to sign the Resolution on behalf of the City.

CITY OF PITTSBURG, KANSAS COMMISSION AGENDA Tuesday, July 08, 2025 5:30 PM

ADJOURNMENT

OFFICIAL MINUTES
OF THE MEETING OF THE
GOVERNING BODY OF THE
CITY OF PITTSBURG, KANSAS
June 24, 2025

A Regular Session of the Board of Commissioners was held at 5:30 p.m. on Tuesday, June 24th, 2025, in the City Commission Room, located in the Law Enforcement Center, 201 North Pine, with Mayor Dawn McNay presiding and the following members present: Cheryl Brooks, Stu Hite, Chuck Munsell, and Ron Seglie.

Mayor McNay led the flag salute.

Chaplain Jill Chambers, on behalf of Mercy Hospital Pittsburg, provided an invocation.

DAVID SMITH INTRODUCTION – Mercy Hospital Pittsburg Administrator David Smith introduced himself to the Governing Body and to the community.

PITTSBURG POSITIVE – Mayor McNay recognized Dan McNally and the VetLinks organization for their impact on veterans across the United States.

APPROVAL OF MINUTES – On motion of Hite, seconded by Seglie, the Governing Body approved the June 10, 2025, City Commission Meeting minutes as presented. Motion carried.

TENANT BASED RENTAL ASSISTANCE FUNDING ACCEPTANCE – On motion of Hite, seconded by Seglie, the Governing Body approved staff recommendation to accept Tenant Based Rental Assistance (TBRA) funding from the Kansas Housing Resources Corporation (KHRC) in the amount of \$100,000 for the 2023 program year, with the funds to be used to subsidize security deposits for low-income households, and authorized the Mayor to sign the required documents on behalf of the City. Motion carried.

KDOT AGREEMENT NO. 882-24 – On motion of Hite, seconded by Seglie, the Governing Body approved KDOT Agreement No 882-24 for the traffic signal improvement project on US-69 at the intersections of West Quincy Street, K-126, and West 20th Street, and authorized the Mayor and City Clerk to execute the agreement on behalf of the City. Motion carried.

APPROPRIATION ORDINANCE – On motion of Hite, seconded by Seglie, the Governing Body approved the Appropriation Ordinance for the period ending June 24, 2025, subject to the release of HUD expenditures when funds are received with the following roll call vote: Yea: Brooks, Hite, McNay, Munsell and Seglie. Motion carried.

ADJOURNMENT - On motion of Seglie, seconded by Hite, the Governing Body adjourned the meeting at 5:38 p.m. Motion carried.

	Dawn McNay, Mayor	
ATTEST:		

KAIP CITY OF PITTSBURG, KANSAS

AGREEMENT

This Agreement is between the **Secretary of Transportation**, Kansas Department of Transportation (KDOT) (the "Secretary") and the **City of Pittsburg** (the "Recipient"), collectively, the "Parties."

RECITIALS:

- **A.** The Recipient has applied for, and the Secretary has approved, a Kansas Airport Improvement Program (KAIP) project to update the Airport Layout Plan for the Atkinson Municipal Airport, a Public Use General Aviation Airport as defined by K.S.A 75-5061(e).
- **B.** The Secretary has approved the use of KAIP funds from the State's General Aviation Airport Development Fund for this purpose, limited to the scope of the Project, as further described below.
- C. The Secretary and the Recipient are empowered by the laws of Kansas to enter into agreements for the construction, planning, and maintenance of the Airport.
- **D.** The Secretary and the Recipient desire to enter into this Agreement to participate in the cost of the Project through the use of state and local funds.

NOW, THEREFORE, the Parties agree as follows:

ARTICLE I: DEFINITIONS

The capitalized terms below have the following meanings when used in this Agreement:

- 1. **"Agreement"** means this written document, including all attachments and exhibits, both attached and incorporated by reference, evidencing the legally binding terms and conditions of the agreement between the Parties.
- 2. **"Airport"** means Atkinson Municipal Airport, a Public Use General Aviation Airport, located at 3510 Airport Drive, Pittsburg, KS 66762.
- 3. "Construction" means the work done on the Project after Letting, consisting of building, altering, repairing, improving, or demolishing any structure, building, or pavement; and/or any drainage, dredging, excavation, grading, or similar work upon real property.

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- 4. "Construction Contingency Items" means the work done on the Project after Letting, consisting of building, altering, repairing, improving, and/or demolishing any structure, building, or pavement; and/or any drainage, dredging, excavation, grading, or similar work upon real property.
- 5. "Construction Engineering" or "CE" means inspection services, material testing, engineering consultation, and other reengineering activities required during Construction of the Project.
- 6. "Consultant" means any engineering firm or other entity retained to perform consulting or design services for the Project.
- 7. **"Contractor"** means the entity awarded the Construction contract for the Project, and any subcontractors working for the Contractor or the Recipient with respect to the Project.
- 8. **"Design Plans"** means design plans, specifications, estimates, surveys, and any necessary studies or investigations, including, but not limited to, environmental, hydraulic, and geological investigations or studies necessary for the Project under this Agreement and as approved by the FAA.
- 9. **"Effective Date"** means the date this Agreement is signed by the Secretary or the Secretary's designee.
- 10. **"Expiration Date"** means one hundred twenty (120) days after the date the grant offer letter is mailed by the Secretary.
- 11. **"FAA"** means the Federal Aviation Administration, a federal agency of the United States.
- "Hazardous Waste" includes, but is not limited to, any substance which meets the test of hazardous waste characteristics by exhibiting flammability, corrosivity, or reactivity, or which is defined by state and federal laws and regulations, and any pollutant or contaminant which may present an imminent and substantial danger to the public health or welfare, including but not limited to leaking underground storage tanks. Any hazardous waste as defined by state and federal laws and regulations and amendments occurring after November 11, 1991, is incorporated by reference and includes but is not limited to: (1) 40 C.F.R. § 261, et seq., Hazardous Waste Management System; Identification and Listing of Hazardous Waste; Toxicity Characteristics Revisions; Final Rule; (2) 40 C.F.R. § 280, et seq., Underground Storage Tanks; Technical Requirements and State Program Approval; Final Rules; (3) 40 C.F.R. § 300, National Oil and Hazardous Substances Pollution Contingency Plan; Final Rule; and (4) K.S.A. § 65-3430, et seq., Hazardous Waste.

- 13. **"KAIP"** means the Kansas Airport Improvement Program, administered by KDOT's Division of Aviation.
- 14. **"KDOT"** means the Kansas Department of Transportation, an agency of the State of Kansas, with its principal place of business located at 700 SW Harrison Street, Topeka, KS 66603-3745.
- 15. "Letting" or "Let" means the process of receiving bids prior to an award of a Construction contract for any portion of the Project.
- 16. "National Plan of Integrated Airport Systems (NPIAS) Airport" as defined and designated by the FAA; the current list of which may be found at https://www.faa.gov/airports/planning_capacity/npias/current/.
- 17. "Non-Participating Costs" means the costs of any items or services which the Secretary, reasonably determines are not Participating Costs.
- 18. **"Participating Costs"** means expenditures for items or services for the construction, planning, and maintenance of the Airport which are an integral part of the Project, as reasonably determined by the Secretary.
- 19. **"Parties"** means the Secretary of Transportation and KDOT, individually and collectively, and the Recipient.
- 20. **"Preliminary Engineering" or "PE"** means pre-construction activities including, but not limited to, design work, generally performed by a consulting engineering firm that takes place before Letting.
- 21. **"Project"** means all phases and aspects of the endeavor that is the subject of this Agreement to be undertaken by the Recipient, being: a focused update to the Airport Layout Plan. The Recipient's application for the Project is attached hereto and is incorporated into this Agreement by this reference.
- 22. **"Project Limits"** means that area of the Project, including all areas between and within the Right of Way boundaries as shown on the final Design Plans.
- 23. **"Public Use General Aviation Airport"** means any airport, as defined in K.S.A. § 75-5061(e), available for use by the general public for the landing and taking off of aircraft but shall not include any airport classified as a primary airport by the Federal Aviation Administration (FAA).
- 24. **"Recipient"** means the City of Pittsburg, Kansas, a public agency that is authorized to own and operate the airport, with its place of business at 201 W 4th Street, Pittsburg, KS 66762.

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- 25. **"Right of Way"** means the real property and interests therein necessary for construction of the Project, including fee simple title, dedications, permanent and temporary easements, and access rights, as shown on the final Design Plans.
- 26. **"Secretary"** means the Secretary of Transportation of the State of Kansas, and the Secretary's successors and assigns.
- 27. "Useful Life Period" means a sufficient period of time, as specifically designated in this Agreement in Article IV to secure the investment of KAIP funds in the Project based on the nature and magnitude of Project costs and generally accepted economic or useful life cycle norms for the type of Construction involved in the Project.

ARTICLE II: FUNDING

1. <u>Funding</u>. The table below reflects the funding commitments of each Party. The Participating Costs of Construction include all unforeseeable elements of cost within the defined project scope identified after the Construction phase commences ("Construction Contingency Items"). The Parties agree costs and contributions reflected below are for encumbrance purposes and may be subject to change.

Party	Responsibility
Secretary	90% of Participating Costs of the Project, not to exceed \$81,000.00.
	10% of Participating Costs of the Project until Secretary's funding limit is reached
Recipient	100% of Costs of the Project after Secretary's funding limit is reached
	100% of Costs of Non-Participating Costs

ARTICLE III: SECRETARY RESPONSIBILITIES

1. **Reimbursement Payments.** The Secretary agrees to make such payment to the Recipient as soon as reasonably possible after the Project is completed and after receipt of proper billing and certification by the Recipient that the Project was constructed within substantial compliance of the approved plans and specifications. The Secretary reserves the right to retain up to five percent (5%) of the Secretary's maximum participation until the Recipient completes its obligations under this Agreement to the satisfaction of the Secretary.

2. <u>Verification of Project Start.</u> The Secretary shall not reimburse the Recipient until the Secretary receives verification from the Recipient that the Project is underway. Verification for the Project may consist of evidence of construction, proof of hiring any Consultant or Contractor for the Project, or other method deemed acceptable by the Secretary's authorized representative. Failure to submit verification that the Project has been started within two (2) years of the effective date shall result in the Secretary cancelling the Project. Permission to delay the Project start must be approved by the Secretary and evidenced by a supplemental agreement executed by both Parties.

ARTICLE IV: RECIPIENT RESPONSIBILITIES

- 1. <u>Accounting.</u> Upon request by the Secretary, the Recipient will provide the Secretary an accounting of all actual Non-Participating Costs associated with the Project which are paid directly by the Recipient to any party outside of the Secretary and costs incurred by the Recipient not to be reimbursed by the Secretary. This will enable the Secretary to report all costs of the Project to the legislature.
- 2. <u>Audit.</u> The Recipient will participate and cooperate with the Secretary in an annual audit of the Project. The Recipient shall make its records and books available to representatives of the Secretary for audit for a period of five (5) years after date of final payment under this Agreement. If any such audits reveal payments that have been made with state funds by the Recipient for items considered Non-Participating Costs, the Recipient shall promptly reimburse the Secretary for such items upon notification by the Secretary.
- 3. <u>Conformity with Federal Requirements</u>. The Recipient shall design, or contract to have designed, the Project in conformity with the current Federal Aviation Administration (FAA) airport design standards and the rules and regulations of the FAA pertaining thereto. The Recipient agrees that all airport planning and environmental activities associated with this grant shall be conducted in accordance with FAA written policy or policies governing the Recipient's airport projects and the sequence thereof, including those that govern projects for a National Plan of Integrated Airport Systems (NPIAS) airport, where applicable.
- 4. <u>Consultant Contract Language</u>. The Recipient shall include language requiring conformity with Article IV, paragraph 3 above, in all contracts between the Recipient and any Consultant with whom the Recipient has contracted to perform services for the Project. In addition, any contract between the Recipient and any Consultant retained by them to perform any of the services described or referenced in this paragraph for the Project covered by this Agreement must contain language requiring conformity with Article IV, paragraph 3 above. In addition, any contract between the Recipient and any Consultant with whom the Recipient has contracted to prepare and certify Design Plans for the Project covered by this Agreement must also contain the following provisions:

- a. <u>Completion of Design</u>. Language requiring completion of all plan development stages no later than the current Project schedule's due dates as issued by KDOT, exclusive of delays beyond the Consultant's control.
- b. <u>Progress Reports</u>. Language requiring the Consultant to submit to the Recipient (and to the Secretary upon request) progress reports at monthly or at mutually agreed intervals in conformity with the official Project schedule.
- c. <u>Third-Party Beneficiary</u>. Language making the Secretary a third-party beneficiary in the agreement between the Recipient and the Consultant. Such language shall read:

"Because of the Secretary of Transportation of the State of Kansas' (Secretary's) obligation to administer state funds, federal funds, or both, the Secretary shall be a third-party beneficiary to this agreement between the Recipient and the Consultant. This third-party beneficiary status is for the limited purpose of seeking payment or reimbursement for damages and costs the Secretary or the Recipient or both incurred or will incur because the Consultant failed to comply with its contract obligations under this Agreement or because of the Consultant's negligent acts, errors, or omissions. Nothing in this provision precludes the Recipient from seeking recovery or settling any dispute with the Consultant as long as such settlement does not restrict the Secretary's right to payment or reimbursement."

- 5. <u>Design and Specifications</u>. The Recipient will prepare, or contract to have prepared, Design Plans for the Project, Let the contract, construct the Project in accordance with the final Design Plans, inspect the Construction, and administer both the Project and the payments due the Contractor, including the portion of cost borne by the Secretary. The Recipient shall separate and list apart the Participating Cost bid items from Non-Participating Cost bid items on both the final Design Plans and the bid documents.
- 6. <u>Final Acceptance</u>. The Recipient shall obtain final acceptance and certification of the Project through KDOT's Division of Aviation.
- 7. General Indemnification. To the extent permitted by law and subject to the Kansas Tort Claims Act (K.S.A. § 75-6101, et seq.) as applicable, the Recipient will defend, indemnify, hold harmless, and save the Secretary and the Secretary's authorized representatives from any and all costs, liabilities, expenses, suits, judgments, damages to persons or property, or claims of any nature whatsoever arising out of or in connection with the provisions or performance of this Agreement by the Recipient, the Recipient's employees, agents, subcontractors, or its consultants. The Recipient shall not be required to defend, indemnify, or hold the Secretary harmless for negligent acts or omissions of the Secretary or the Secretary's authorized representatives or employees.

- 8. **<u>Hazardous Waste.</u>** The Recipient agrees to the following with regard to Hazardous Waste:
 - a. Removal of Hazardous Waste. The Recipient shall locate and be responsible for remediation and cleanup of any Hazardous Waste discovered within the Project Limits. The Recipient shall take appropriate action to cleanup and remediate any identified Hazardous Waste prior to Letting. The Recipient will also investigate all Hazardous Waste discovered during Construction and shall take appropriate action to cleanup and remediate Hazardous Waste. The standards to establish cleanup and remediation of Hazardous Waste include, but are not limited to, federal programs administered by the Environmental Protection Agency (EPA), State of Kansas environmental laws and regulations, and local agency standards where the Hazardous Waste is located.
 - b. <u>Responsibility for Hazardous Waste Remediation Costs</u>. The Recipient shall be responsible for all damages, fines or penalties, expenses, fees, claims, and costs incurred from remediation and cleanup of any Hazardous Waste within the Project Limits which is discovered prior to Letting or during Construction.
 - c. <u>Hazardous Waste Indemnification</u>. To the extent permitted by law and subject to the Kansas Tort Claims Act (K.S.A. § 75-6101, *et seq.*) as applicable, the Recipient shall hold harmless, defend, and indemnify the Secretary, the Secretary's agents and employees from all claims, including contract claims and associated expenses, and from all fines, penalties, fees or costs imposed under state or federal laws arising out of or related to any act of omission by the Recipient in undertaking cleanup or remediation for any Hazardous Waste.
 - d. <u>No Waiver</u>. By signing this Agreement, the Recipient has not repudiated, abandoned, surrendered, waived, or forfeited its right to bring any action, seek indemnification, or seek any other form of recovery or remedy against any third-party responsible for any Hazardous Waste on any Right of Way within the Project limits. The Recipient reserves the right to bring any action against any third-party for any Hazardous Waste on any Right of Way within the Project limits.
- 9. <u>Indemnification by Contractors</u>. The Recipient agrees to require any Contractor to indemnify, hold harmless, and save the Secretary and the Recipient from personal injury and property damage claims arising out of the act or omission of any Contractor, any Contractor's agent, subcontractors, or suppliers. If the Secretary or the Recipient defends a third-party's claim against any Contractor, said Contractor shall indemnify the Secretary and the Recipient for damages paid to the third-party and all related expenses either the Secretary or the Recipient or both incur in defending the claim.
- 10. <u>Inspection of Records</u>. During Project execution, representatives of the Secretary may make periodic inspection of the Project and the records of the Recipient as may be deemed

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necessary or desirable. The Recipient will direct or cause its Contractor to accomplish any corrective action or work required by the Secretary's representative as necessary to the performance of this Agreement.

- 11. <u>Legal Authority</u>. By signature on this Agreement, the signatory certifies they have legal and actual authority as representative and agent for the Recipient to enter into this Agreement on its behalf. The Recipient agrees to take any administrative and/or legal steps as may be required to give full effect to the terms of this Agreement.
- 12. <u>Maintenance</u>. When the Project is completed and final acceptance is issued the Recipient will, at its own cost and expense, maintain the Project and will make ample provision each year for such maintenance. If notified by KDOT's Division of Aviation of any unsatisfactory maintenance condition, the Recipient will begin the necessary repairs within thirty (30) days and will prosecute the work continuously until it is completed to the Secretary's satisfaction.
- 13. **Performance Bond.** The Recipient has the discretion to require the Contractor to provide a performance bond in a sum not less than the amount of the contract as awarded.
- 14. **Prevailing Wages.** The Recipient will require the Contractor to pay prevailing wages. The Recipient will incorporate into the Construction contract the current general wage decision for the county in which the Project is being constructed. The Recipient can obtain the current wage decision from KDOT's Bureau of Construction and Materials website.
- 15. **Preventive Maintenance.** The Recipient agrees to implement, or work with the Airport to implement, an airport pavement management program which assures preventive maintenance for construction, reconstruction, replacement, and maintenance for projects which utilize KAIP funds.
- 16. **Project Administration.** The Recipient shall be responsible for undertaking and completion of the Project. Immediately after the Project is Let, the Recipient shall notify KDOT's Division of Aviation of the Letting date, the total contract amount, and any other requested information related to the Project.
- 17. **Project Modification.** Any of the following Project changes require the Recipient to send a formal notice to the Secretary for approval:
 - a. Fiscal year the Project is to be Let
 - b. Project description
 - c. Project scope

During Construction, the Recipient shall notify the Secretary of any changes in the plans and specifications, which will require the written approval of the Secretary.

- 18. Responsibility for Adequacy of Design. The Recipient shall be responsible for, and require any Consultant retained by it to be responsible for, the adequacy and accuracy of the Design Plans for the Project. Any review of these items performed by the Secretary or the Secretary's representatives is not intended to and shall not be construed to be an undertaking of the Recipient's and its Consultant's duty to provide adequate and accurate Design Plans for the Project. Reviews by the Secretary are not done for the benefit of the Consultant, any construction Contractor, the Recipient, any other political subdivision, or the traveling public. The Secretary makes no representation, express or implied warranty to any person or entity concerning the adequacy or accuracy of the Design Plans for the Project, or any other work performed by the Consultant or the Recipient.
- 19. <u>Submission of Design Plans to Secretary</u>. If requested, the Recipient will furnish to KDOT's Division of Aviation one (1) set of final Design Plans.

20. <u>Useful Life</u>.

- a. <u>Assurance Clause</u>. At any time that the public is not allowed access to the Airport, the Recipient shall reimburse the Secretary a prorated amount based on a ten (10) year Useful Life of the Project. This assurance clause shall be valid and enforceable for ten (10) years from the date that the final payment is authorized. This provision shall only apply to closure for non-airport purposes.
- b. <u>Useful Life Period</u>. The Parties agree the Useful Life Period of the Project is ten (10) years, commencing on the date the Secretary gives notice of final acceptance of the Project.
- c. <u>Change in Public Use</u>. After the Project is completed and during the entire Useful Life Period, the Airport shall remain open for public use. Any change in the public use of the real property for the Project will require written approval from the Secretary.

d. Recapture of State Investment.

- (i) During the first five (5) years of the Useful Life Period, if the Project is not used for the purpose set forth in this Agreement or other use approved by the Secretary under subparagraph (c) above, then the Recipient shall pay to the Secretary one hundred percent (100%) of the funds invested in the Project.
- (ii) Following the first five (5) years of the Useful Life Period and until the Useful Life Period expires, if the Project is not used for the purpose set forth in this Agreement or other use approved by the Secretary under subparagraph (c) above, then the Recipient shall pay to the Secretary as

recapture of funds invested in the Project an amount, which will be determined according to the following formula:

Total Amount of State and/or Federal Funds Invested in the		
Project Project		Number of Full Years Remaining in the _ Recapture
Trefeet	\mathcal{X}	Useful Life Period at the Time of Amount
		unauthorized change in use
Entire Useful Life Period		C
for the Project		

- (iii) Any payments due to the Secretary pursuant to this subparagraph (d) shall be made within ninety (90) days after receipt of billing from the Secretary's Chief of Fiscal Services unless an extension is granted by the Secretary.
- 21. <u>Utilities</u>. The Recipient will move or adjust, or cause to be moved or adjusted, all Utilities necessary to construct the Project in accordance with the final Design Plans. New or existing Utilities to be installed, moved, or adjusted will be located or relocated in accordance with the current version of the KDOT <u>Utility Accommodation Policy</u> (UAP), as amended or supplemented. The expense of such removal or adjustment shall be borne by the owner or the Recipient.

ARTICLE V: GENERAL PROVISIONS

- 1. **<u>Binding Agreement.</u>** This Agreement and all contracts entered into under the provisions of this Agreement shall be binding upon the Secretary and the Recipient and their successors in office.
- 2. <u>Certification of Compliance</u>. The Recipient agrees to certify that it is in compliance with K.S.A. 46-239(c) by signing the <u>Certificate of Compliance Attachment</u>, which is attached hereto and made a part of this Agreement.
- 3. <u>Certification Regarding No Boycott of Israel</u>. The Recipient agrees to certify that it is in compliance with K.S.A. §§75-3740e and 3740f, by signing the <u>Certification of Company Not Engaged in a Boycott of Goods or Services from Israel Attachment</u>, which is attached to and made a part of this Agreement.
- 4. <u>Certification Regarding Sexual Harassment</u>. The Recipient agrees to comply with Executive Order 18-04 (February 5, 2018), by signing the <u>Policy Regarding Sexual Harassment</u> Attachment, which is attached to and made a part of this Agreement.

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- 5. <u>Civil Rights Act</u>. The <u>Civil Rights Act Attachment</u>, pertaining to the implementation of the Civil Rights Act of 1964, is attached and made a part of this Agreement.
- 6. <u>Compliance with Federal and State Laws</u>. The Parties agree to comply with all appropriate state and federal laws and regulations applicable to the Project.
- 7. <u>Contractual Provisions</u>. The provisions found in the <u>Contractual Provisions Attachment</u> (Form DA-146a), which is attached hereto, are incorporated into, and made a part of this Agreement.
- 8. <u>Counterparts</u>. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.
- 9. <u>Headings</u>. All headings in this Agreement have been included for convenience of reference only and are not deemed to control or affect the meaning or construction or the provisions herein.
- 10. <u>Incorporation of Design Plans</u>. The final Design Plans for the Project are by this reference made a part of this Agreement.
- 11. **No Assignment.** The Recipient shall not transfer or assign all or any rights or obligations existing under this Agreement without the prior written approval of the Secretary.
- 12. <u>No Third-Party Beneficiaries.</u> No third-party beneficiaries are intended to be created by this Agreement and nothing in this Agreement authorizes third parties to maintain a suit for damages pursuant to the terms or provisions of this Agreement.
- 13. Offer Expiration. The Secretary's offer to fund the Project, subject to the terms of this Agreement, is contingent upon the Recipient executing this Agreement on or before the Expiration Date. In the event the Recipient fails to execute this Agreement on or before the Expiration Date, the Secretary will not be obligated to fund the Project and the Secretary may cancel the Project. If the Recipient wishes to extend the Expiration Date, the Recipient must submit a written extension request to the Secretary at least forty-five (45) days prior to the Expiration Date. After receiving the request, the Secretary may extend the Expiration Date by providing written notice to the Recipient.
- 14. **Project Limits.** It is mutually agreed the Project will be constructed within the limits of the Airport.
- 15. **Severability.** If any provision of this Agreement, including any attachments hereto, is held invalid, the invalidity does not affect other provisions which can be given effect without the invalid provision, and to this end the provisions of this Agreement are severable.

Agreement No. 400-25 Project No. AV-2026-03 Division of Aviation

16. **Termination.** If, in the judgment of the Secretary, sufficient funds are not appropriated to continue the function performed in this Agreement and for the payment of the charges hereunder, the Secretary may terminate this Agreement. The Secretary will participate in all costs approved by the Secretary incurred prior to the termination of the Agreement.

IN WITNESS WHEREOF the Parties have caused this Agreement to be signed by their duly authorized officers as of the Effective Date.

Recipient		Kansas Department of Transportation	
(Signature)	(Date)	Calvin E. Reed, P.E. Secretary of Transportation	(Date)
(Print Name)			
(Title)			
		Approved as to form:	

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KANSAS DEPARTMENT OF TRANSPORTATION

CERTIFICATE OF COMPLIANCE WITH K.S.A. 46-239(c) ATTACHMENT

Kansas law (K.S.A. 46-239(c)) requires the Kansas Department of Transportation to report all contracts entered into with any legislator, or any member of a firm of which a legislator is a member, under which the legislator or member of the firm is to perform services for this agency for compensation. The following certification must be filled in by the signator of this contract:

	Yes, this contract is with a legislator or a firm in which a legislator is a member.
	Legislator name
	Business phone
	Address (Street, City, State, Zip Code)
	Purpose of Employment:
	Method of determining compensation:
	or
	 No, this contract is not being entered into with a legislator or a firm in which a legislator is a member.
The signer u	nderstands that this certification is factual and reliable and is part of this transaction.
Ву:	
Date:	
Contract/ Project No:_	
	(if applicable)
County:	
	(if applicable)

CERTIFICATION OF COMPANY NOT CURRENTLY ENGAGED IN A BOYCOTT OF GOODS or SERVICES FROM ISRAEL

In accordance with K.S.A. 75-3740f, the State of Kansas shall not enter into a contract with a Company to acquire or dispose of goods or services with an aggregate price of more than \$100,000, unless such Company submits a written certification that such Company is not currently engaged in a boycott of goods or services from Israel that constitutes an integral part of business conducted or sought to be conducted with the State.

As a Contractor entering into a contract with Company listed below is not currently engaged in a bot75-3740f.	the State of Kansas, it is hereby certified that the bycott of Israel as set forth in K.S.A. 75-3740e and
Signature, Title of Contractor	Date
Printed	-
Name of Company	

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Policy Regarding Sexual Harassment

WHEREAS, sexual harassment and retaliation for sexual harassment claims are unacceptable forms of discrimination that must not be tolerated in the workplace; and

WHEREAS, state and federal employment discrimination laws prohibit sexual harassment and retaliation in the workplace; and

WHEREAS, officers and employees of the State of Kansas are entitled to working conditions that are free from sexual harassment, discrimination, and retaliation; and

WHEREAS, the Governor and all officers and employees of the State of Kansas should seek to foster a culture that does not tolerate sexual harassment, retaliation, and unlawful discrimination.

NOW THEREFORE, pursuant to the authority vested in me as Governor of the State of Kansas, I hereby order as follows:

- All Executive Branch department and agency heads shall have available, and shall regularly review and update at least every three years or more frequently as necessary, their sexual harassment, discrimination, and retaliation policies. Such policies shall include components for confidentiality and anonymous reporting, applicability to intern positions, and training policies.
- 2. All Executive Branch department and agency heads shall ensure that their employees, interns, and contractors have been notified of the state's policy against sexual harassment, discrimination, or retaliation, and shall further ensure that such persons are aware of the procedures for submitting a complaint of sexual harassment, discrimination, or retaliation, including an anonymous complaint.
- 3. Executive Branch departments and agencies shall annually require training seminars regarding the policy against sexual harassment, discrimination, or retaliation. All employees shall complete their initial training session pursuant to this order by the end of the current fiscal year.
- 4. Within ninety (90) days of this order, all Executive Branch employees, interns, and contractors under the jurisdiction of the Office of the Governor shall be provided a written copy of the policy against sexual harassment, discrimination, and retaliation, and they shall execute a document agreeing and acknowledging that they are aware of and will comply with the policy against sexual harassment, discrimination, and retaliation.
- 5. Matters involving any elected official, department or agency head, or any appointee of the Governor may be investigated by independent legal counsel.
- 6. The Office of the Governor will require annual mandatory training seminars for all staff, employees, and interns in the office regarding the policy against sexual harassment, discrimination, and retaliation, and shall maintain a record of attendance.
- 7. Allegations of sexual harassment, discrimination, or retaliation within the Office of the Governor will be investigated promptly, and violations of law or policy shall constitute grounds for disciplinary action, including dismissal.
- 8. This Order is intended to supplement existing laws and regulations concerning sexual harassment and discrimination, and shall not be interpreted to in any way diminish such laws and regulations. The Order provides conduct requirements for covered persons, and is not intended to create any new right or benefit enforceable against the State of Kansas.
- 9. Persons seeking to report violations of this Order, or guidance regarding the application or interpretation of this Order, may contact the Office of the Governor regarding such matters.

Agreement to Comply with the Policy Against Sexua	il Harassment, Discrimination, and Retaliation.
I hereby acknowledge that I have received a copy of the S Discrimination, and Retaliation established by Execut provisions of this policy.	
Signature and Date	Printed Name

KANSAS DEPARTMENT OF TRANSPORTATION CIVIL RIGHTS ACT ATTACHMENT

PREAMBLE

The Secretary of Transportation for the State of Kansas, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. § 2000d to 2000d-4) and other nondiscrimination requirements and the Regulations, hereby notifies all contracting parties that it will affirmatively ensure that this contract will be implemented without discrimination on the grounds of race, color, national origin, sex, age, disability, income-level or Limited English Proficiency (LEP).

CLARIFICATION

The term "Contractor" is understood to include the Contractor, the Contractor's assignees and successors in interest, consultants, and all other parties to contracts or agreements with the Secretary of Transportation, Kansas Department of Transportation. This Attachment shall govern should this Attachment conflict with provisions of the Document to which it is attached.

ASSURANCE APPENDIX A

During the performance of this contract, the Contractor, for itself, its assignees and successors in interest, agrees as follows:

- 1. **Compliance with Regulations**: The Contractor will comply with the Acts and the Regulations relative to nondiscrimination in its Federally-assisted programs of the U.S. Department of Transportation, the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA) or the Federal Aviation Administration (FAA) as they may be amended from time to time which are herein incorporated by reference and made a part of this contract.
- 2. **Nondiscrimination**: The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project or program set forth in Appendix B of 49 CFR Part 21.
- 3. Solicitations for Subcontractors, Including Procurements of Material and Equipment: In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor will be notified by the Contractor of the Contractor's obligations under this contract and the Acts and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
- 4. **Information and Reports**: The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or the FHWA, FTA, or FAA to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a Contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the Recipient or, the FHWA, FTA, or FAA as appropriate, and shall set forth what efforts it has made to obtain the information.
- 5. Sanctions for Noncompliance: In the event of the Contractor's noncompliance with the nondiscrimination provisions of this contract, the Recipient will impose such contract sanctions as it or the FHWA, FTA, or FAA may determine to be appropriate, including, but not limited to:
 - a. withholding payments to the Contractor under the contract until the Contractor complies; and/or
 - b. cancelling, terminating or suspending a contract, in whole or in part.

6. **Incorporation of Provisions**: The Contractor will include the provisions of the paragraphs one (1) through six (6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the Recipient or the FHWA, FTA, or FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

ASSURANCE APPENDIX E

During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest agrees to comply with the following nondiscrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21;
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- The Federal Aid Highway Act of 1973 (23 U.S.C. § 324 et. seq.), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794 et. seq.) as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et. seq.), prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 U.S.C. § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL No. 100-259), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and Contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities), (42 U.S.C. §§12131-12189as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38);
- The Federal Aviation Administration's nondiscrimination statute (49 U.S.C. § 47123), (prohibits discrimination on the basis of race, color, national origin, and sex);
- Title IX of the Education Amendments of 1972, as amended (prohibits you from discriminating because of sex in education programs or activities), (20 U.S.C. § 1681).

State of Kansas Department of Administration DA-146a (Rev. 05-25)

CONTRACTUAL PROVISIONS ATTACHMENT

Important: This form contains mandatory contract provisions and must be attached to or incorporated in all copies of any contractual agreement. If it is attached to the non-State Agency Contracting Party's standard contract form, that form must be altered to contain the following provision:

The provisions found in Contractual Provisions Attachment (Form DA-146a, Rev. 05-25), which is attached hereto, are hereby incorporated in this Contract and made a part thereof.

The Parties agree tha	t the following prov	risions are hereb	y incorporated	d into the
Contract to which it is	attached and made	e a part thereof,	said contract	being the
day of	, 20	<u> </u>		

- Terms Herein Controlling Provisions: It is expressly agreed that the terms of each and every
 provision in this attachment shall prevail and control over the terms of any other conflicting
 provision in any other document relating to and a part of the Contract in which this attachment is
 incorporated. Any terms that conflict or could be interpreted to conflict with this attachment are
 nullified.
- 2. <u>Kansas Law and Venue</u>: This Contract shall be subject to, governed by, and construed according to the laws of the State of Kansas, and jurisdiction and venue of any suit in connection with this Contract shall reside only in courts located in the State of Kansas.
- 3. Termination Due to Lack of Funding Appropriation or Funding Source: If, in the judgment of the Director of Accounts and Reports, Department of Administration, sufficient funds are not appropriated or no longer exist to continue the function performed in this Contract and for the payment of the charges hereunder due to the loss of the funding source, the Contracting State Agency may terminate this Contract immediately or at the end of its current fiscal year. The Contracting State Agency agrees to give written notice of termination to the non-State Agency Contracting Party at least thirty (30) days prior to the end of its current fiscal year and shall give such notice for a greater period prior to the end of such fiscal year as may be provided in this Contract, except that such notice shall not be required prior to ninety (90) days before the end of such fiscal year. The non-State Agency Contracting Party shall have the right, at the end of such fiscal year, to take possession of any equipment provided to the Contracting State Agency under the contract. The Contracting State Agency will pay to the non-State Agency Contracting Party all regular contractual payments incurred prior to the period of notification or through the end of the fiscal year as determined by period of notification given by the Contracting State Agency, plus contractual charges incidental to the return of any such equipment. Upon termination of the Contract by the Contracting State Agency, title to any such equipment shall revert to the non-State Agency Contracting Party at the end of the Contracting State Agency's current fiscal year. The termination of the Contract pursuant to this paragraph shall not cause any penalty to be charged to the Parties.
- 4. <u>Disclaimer of Liability</u>: No provision of this contract will be given effect that attempts to require the Contracting State Agency to defend, hold harmless, or indemnify any non-State Agency Contracting Party or third party for any acts or omissions. The liability of the Contracting State Agency is defined under the Kansas Tort Claims Act (K.S.A. 75-6101, *et seq.*).

- 5. Anti-Discrimination Clause: The non-State Agency Contracting Party agrees: (a) to comply with the Kansas Act Against Discrimination (K.S.A. 44-1001, et seg.) and the Kansas Age Discrimination in Employment Act (K.S.A. 44-1111, et seq.) and the applicable provisions of the Americans With Disabilities Act (42 U.S.C. 12101, et seq.) (ADA), and Kansas Executive Order No. 19-02, and to not discriminate against any person because of race, color, gender, sexual orientation, gender identity or expression, religion, national origin, ancestry, age, military or veteran status, disability status, marital or family status, genetic information, or political affiliation that is unrelated to the person's ability to reasonably perform the duties of a particular job or position; (b) to include in all solicitations or advertisements for employees, the phrase "equal opportunity employer"; (c) to comply with the reporting requirements set out at K.S.A. 44-1031 and K.S.A. 44-1116; (d) to include those provisions in every subcontract or purchase order so that they are binding upon such subcontractor or vendor; (e) that a failure to comply with the reporting requirements of (c) above or if the non-State Agency Contracting Party is found guilty of any violation of such acts by the Kansas Human Rights Commission, such violation shall constitute a breach of contract and the Contract may be cancelled, terminated or suspended, in whole or in part, by the Contracting State Agency or the Kansas Department of Administration; (f) the non-State Agency Contracting Party agrees to comply with all applicable state and federal antidiscrimination laws and regulations: (g) the non-State Agency Contracting Party agrees all hiring must be on the basis of individual merit and qualifications, and discrimination or harassment of persons for the reasons stated above is prohibited; and (h) if is determined that the non-State Agency Contracting Party has violated the provisions of any portion of this paragraph, such violation shall constitute a breach of contract and the Contract may be canceled, terminated, or suspended, in whole or in part, by the Contracting State Agency or the Kansas Department of Administration.
- 6. <u>Acceptance of Contract</u>: This Contract shall not be considered accepted, approved, or otherwise effective until the statutorily required approvals and certifications have been given.
- 7. Arbitration, Damages, Warranties: Notwithstanding any language to the contrary, no interpretation of this Contract shall find that the Contracting State Agency has agreed to binding arbitration, or the payment of damages or penalties. Further, the Contracting State Agency does not agree to pay attorney fees, costs, or late payment charges beyond those available under the Kansas Prompt Payment Act (K.S.A. 75-6403), and no provision will be given effect that attempts to exclude, modify, disclaim or otherwise attempt to limit any damages available to the Contracting State Agency at law, including but not limited to the implied warranties of merchantability and fitness for a particular purpose.
- 8. Representative's Authority to Contract: By signing this contract, the representative of the non-State Agency Contracting Party thereby represents that such person is duly authorized by the non-State Agency Contracting Party to execute this Contract on behalf of the non-State Agency Contracting Party and that the non-State Agency Contracting Party agrees to be bound by the provisions thereof.
- 9. **Responsibility for Taxes**: The Contracting State Agency shall not be responsible for, nor indemnify a contractor for, any federal, state, or local taxes which may be imposed or levied upon the subject matter of this Contract.
- 10. <u>Insurance</u>: The Contracting State Agency shall not be required to purchase any insurance against loss or damage to property or any other subject matter relating to this Contract, nor shall this Contract require them to establish a "self-insurance" fund to protect against any such loss or damage. Subject to the provisions of the Kansas Tort Claims Act (K.S.A. 75-6101, et seq.), the non-State Agency Contracting Party shall bear the risk of any loss or damage to any property in which the non-State Agency Contracting Party holds title.

- 11. <u>Information</u>: No provision of this Contract shall be construed as limiting the Legislative Division of Post Audit from having access to information pursuant to K.S.A. 46-1101, *et seq*.
- 12. <u>The Eleventh Amendment</u>: The Eleventh Amendment is an inherent and incumbent protection with the State of Kansas and need not be reserved, but prudence requires the Contracting State Agency to reiterate that nothing related to this Contract shall be deemed a waiver of the Eleventh Amendment.
- 13. <u>Campaign Contributions / Lobbying</u>: Funds provided through a grant award or contract shall not be given or received in exchange for the making of a campaign contribution. No part of the funds provided through this Contract shall be used to influence or attempt to influence an officer or employee of any State of Kansas agency or a member of the Legislature regarding any pending legislation or the awarding, extension, continuation, renewal, amendment or modification of any government contract, grant, loan, or cooperative agreement.
- 14. Restricted Funding Source: The non-State Agency Contracting Party acknowledges and understands the Contracting State Agency's share of the Contract's total, actual, and eligible costs may be funded through the receipt of or reimbursement through federal funds. The Contracting State Agency does not assume any liability in connection with the Contract's total, actual, and eligible costs which may be paid through the receipt of or reimbursement through federal funds. The non-State Agency Contracting Party shall reimburse the Contracting State Agency for any funds approved for this Contract and expended by the Contracting State Agency for which the Contracting State Agency is not reimbursed by the Federal Government or for which such funds are determined by the Federal Government to no longer be available to be used by the Contracting State Agency for said Contract.

1. Select airport:
Atkinson Municipal Airport - PTS
2. Enter airport sponsor's name (name of the entity or governing body that owns and operates the airport):
City of Pittsburg, Kansas
3. Enter sponsor's mailing address (legal address for the governing body or entity that owns and operates the airport):
201 W. 4th St. Pittsburg, KS 66762
4. Enter sponsor's point of contact (last name, first name): Pyle, Bill
5. Enter sponsor's point of contact title:
Airport Manager
6. Enter sponsor's point of contact email address:
bill.pyle@pittks.org
7. Enter sponsor's point of contact phone number:
(620) 240-5134
8. Name and title of individual completing this grant application - must be sponsor or sponsor's employee with consent of the sponsor (last name, first name, title):

System preservation, modernization, or design/planning projects: (90/10)
Equipment and hangar/building projects: (50/50)
 State participation in local match to Federally-funded preservation, modernization, or design/planning project (50/50)
10. Total project cost:
90000
11. Federal contribution (if applicable) :
0
12. Requested KDOT contribution:
81000
13. Sponsor contribution:
9000
14. Project title:
Please use the following naming conventions:
 designate runway and taxiway names (Ex: resurface Runway 17/35) designate areas of related projects (Ex: replace lights on west side of runway, replace lights on south 1500' of runway) if the project has two parts, use the same title with the tags attached (Ex: (DESIGN) Pave Taxiway A, (CONSTRUCTION) Pave Taxiway A) rank multiple applications from the same airport in order of need following this example: (1) resurface
Runway 17/35, (2) (DESIGN) Pave Taxiway A, (3) (CONSTRUCTION) Pave Taxiway A. Please submit a single project per application.
ALP Focused Update

9. Select grant type:

15. Project narrative description. Include as much detail about the project. You may also attach a narrative document later in this survey.

16. Upload any additional media or documentation supporting project narrative such as a detailed narrative, engineer's estimate, contractor estimate, airport layout drawings, letters of support, airport diagrams illustrating improvement areas (one file per question, additional upload opportunities available below):

PTS%20FY26 KAIP%20Attachments ALP%20Focused%20Update Narrative-Scope.pdf 237KB application/pdf

17 Project Info. Does the airport have a noted pavement deficiency (such as aircraft movement areas with a pavement condition index below 65 as listed on the airport's pavement management plan located at https://bikdotaviation.azurewebsites.net/) and does the project address the deficiency?

	Yes, the airport has pavement that is 65 pci or lower and the project does address a pavement deficiency
	Yes, the airport has pavement that is 65 pci or lower but the project does not address a pavement deficiency
~	Yes, the airport has pavement that is 65 pci or lower and the deficiency is being addressed by the airport sponsor. This project is another high priority project for the sponsor (provide details in narrative).
	Yes, the airport has pavement that is 65 pci or lower that is not being addressed by this or any other project.
	No, the airport does not have pavement that is 65 pci or lower.
	N/A, airport is unpaved

18 GRANT SUPPORT. Number of new jobs created as a direct result of this airport improvement (Note: if using this box, a letter of agreement from company of employment will be required to be uploaded on a later page or the answer will be discarded):

0

19. Upload any additional media or documentation supporting new jobs discussed above (one file per question):

to the next question).		
None in 2024. In prior years, we have hosted the Kansas Air Tour and invited local school students to attend and learn about aviation.		
21. Upload any additional media, photos, or documentation showing airport's outreach and community engagement efforts (one file per question):		
22. Upload any additional media or supporting documentation. Ex: photos, airport layout drawings, letters of support, airport diagrams illustrating improvement areas (one file per question):		
23. Upload any additional media or supporting documentation. Ex: photos, airport layout drawings, letters of support, airport diagrams illustrating improvement areas (one file per question):		
ACKNOWLEDGEMENT 1:. It is understood that if this project is approved, the Kansas Department of Transportation will participate in the project cost at the rate identified in the KAIP Program Guidelines as published on the KDOT Aviation website (https://aviation.ks.gov). The Sponsor will be responsible for letting the contract for bids and supervising construction. The Sponsor is also responsible for all maintenance and sustainment of this airport improvement throughout the duration of grant assurances prescribed by contract. Output Pes No		
ACKNOWLEDGEMENT 2. By completing this grant application, the sponsor acknowledges having sufficient local funds and local support to use those funds to meet the minimum local match responsibility outlined above for the project scope as submitted. Sponsor acknowledges being able to start the project within two (2) years of grant award and completing the project within one (1) year of starting the project. Sponsor acknowledges that if the application is for a		

20 Outreach . Describe any aviation education, outreach, or community engagement conducted by the airport within the previous 12 months (Note: you may upload a document containing pictures of the outreach events

phased project, that selection of any phase of the project does not in any way guarantee funding of future phases for that project.



Yes

O No

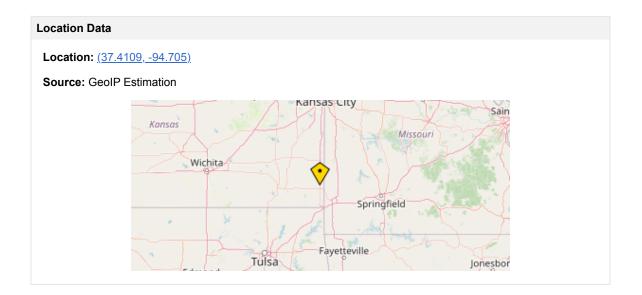
CERTIFICATION. I hereby certify that the information contained in this grant application is true, complete, and correct to the best of my knowledge and belief. I certify that I have the authority to act on behalf of the airport sponsor with respect to completing this grant application. I acknowledge that any misrepresentation or omission of a material fact with respect to the grant application may void this grant application and may impact future applications depending on severity.

Signed (Last name, first name):

Pyle,	Bill
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This concludes the application process.

Please click "Next" to submit this form.



KAIP FY26 Grant Application Justification

Atkinson Municipal Airport (PTS) ALP Focused Update

Project Scope:

Develop a focused Airport Layout Plan (ALP) update, concentrating on the eastern terminal area pavement rehabilitation, including detailed assessment of existing conditions, improvement recommendations, and integration of a self-service fuel system. The ALP update will encompass pavement condition analysis, environmental considerations, land use impacts, construction cost estimates, and compliance with FAA standards.

Background:

Atkinson Municipal Airport serves as a vital transportation hub for the Pittsburg region. The eastern terminal area pavement has reached a critical point requiring rehabilitation, as evidenced by deteriorating PCI levels. Recent proactive maintenance by the city, including joint sealing on the primary runway, demonstrates the airport's commitment to infrastructure preservation. However, a comprehensive study is needed to address the eastern terminal area's challenges while planning for future development opportunities.

Alignment with KAIP Strategy and Objectives:

Safety:

The proposed ALP update will address critical safety concerns related to the eastern terminal area pavement condition. The ALP will evaluate current pavement deficiencies that could impact aircraft operations and develop solutions that enhance operational safety. Through comprehensive analysis, the ALP will examine current pavement conditions and potential safety hazards while integrating with existing airport safety systems. The resulting recommendations will outline a phased rehabilitation approach that minimizes operational disruption while maximizing safety improvements.

Economic Development:

Atkinson Municipal Airport plays a crucial role in Pittsburg's economic growth. The ALP update will support existing aviation activities through improved infrastructure planning while creating opportunities for future development. The evaluation of a self-service fuel system implementation will enhance service offerings, strengthening the airport's position as a regional transportation asset. This comprehensive approach to infrastructure planning directly supports regional economic development initiatives.

Infrastructure Modernization:

This planning initiative represents a critical first step in modernizing the eastern terminal area. Through detailed evaluation of current pavement conditions and rehabilitation needs, the update will establish a framework for integrating modern airport design standards. The resulting plan will outline strategic infrastructure improvements and implement sustainable maintenance practices that ensure long-term operational efficiency.

KAIP FY26 Grant Application Justification

Atkinson Municipal Airport (PTS) ALP Focused Update

Operational Efficiency:

Operational Efficiency will be a key focus of the update, particularly in evaluating the current challenges faced in the eastern terminal area. The pavement rehabilitation planning will consider not just infrastructure improvements, but how these changes can enhance aircraft movement and ground operations. By simultaneously planning the eastern terminal area rehabilitation and western terminal area development, the ALP update will ensure efficient airport operations are maintained during future construction phases while maximizing long-term operational benefits. The integration of a self-service fuel system into the planning process further demonstrates the commitment to improving operational efficiency through modern infrastructure solutions.

Project Cost Effectiveness:

The ALP update, with a total cost of \$90,000, represents a strategic investment in critical airport planning. The 90/10 funding split between KDOT (\$81,000) and local match (\$9,000) ensures efficient use of available resources while developing a comprehensive improvement strategy for the eastern terminal area. This investment will guide future development and infrastructure improvements, maximizing the return on investment for both state and local funding sources.

Technology and Innovation:

The ALP update will incorporate current industry best practices and innovative approaches to pavement assessment and rehabilitation techniques. Modern airport design standards will guide the planning process, ensuring that future improvements meet current and anticipated operational needs. The integration of self-service fuel systems and sustainable infrastructure solutions demonstrates a forward-thinking approach to airport development.

Sustainability and Environmental Impact:

The ALP will evaluate environmental considerations through a comprehensive assessment of drainage impacts and environmental requirements. Sustainable pavement rehabilitation options will be explored alongside energy efficiency opportunities in new infrastructure. This approach ensures that future development balances operational needs with environmental stewardship.

Project Readiness:

The airport has completed preliminary evaluations and is prepared to commence the ALP update immediately upon funding approval. Through careful preparation, the project team has defined clear objectives and established a structured timeline for completion. Key stakeholders have been identified for the Planning Advisory Committee, and preliminary scope documentation has been prepared to ensure efficient project implementation.

This KAIP funding request represents a critical investment in Atkinson Municipal Airport's future, ensuring safe, efficient, and sustainable operations while supporting regional economic development.

Exhibit A

Scope of Services Atkinson Municipal Airport (PTS), Pittsburg, KS Airport Layout Plan and Narrative Report November 2024

KAIP Project No. (to be determined)
Olsson Project No. 025 (to be determined)

This project is a focused study to provide the city of Pittsburg with guidance for future terminal area development at the Atkinson Municipal Airport, pavement rehabilitation needs in the existing terminal area and an investigation of a self-service fuel system.

The goals of this project are:

- Develop recommendations for a new terminal area development west of Runway 4, including an analysis of:
 - Environmental impacts
 - Land use impacts
 - Construction costs
 - FAA standards
- Prepare a capital improvement plan (CIP) including a realistic schedule for development that considers local, state, and federal funding sources. The CIP will include recommendations for the:
 - New west terminal area
 - Pavement rehabilitation in the existing terminal area
 - Self-service fuel system
- Update the ALP drawing set to depict these changes
- Prepare a focused narrative report. The report will be limited to a discussion and explanation of the drawing changes and the CIP.

The project will not include:

- Forecasts
- Identification of a change in critical aircraft. ARC C-II will be used for this study.
- Topographic or AGIS survey. The data from the existing ALP and from LIDAR will be used.

The work will be completed in accordance with:

- FAA Advisory Circular (AC) 150/5300-13B, Change 1
- FAA's Standard Operating Procedure 2.0 "Standard Procedures for FAA Review and Approval of Airport Layout Plans (ALPs)", inclusive of only the elements listed below.

The report and drawings will be provided in electronic (pdf) format. One printed set of the draft and final drawings will also be provided.

Summary of Meetings

- 1. Kick-off meeting
- 2. Alternatives analysis and public open house
- 3. Final meeting

Task 1: Study Initiation and Kick-Off Meeting

- 1.1 Prepare an outline of the basic elements of the planning study. Identify individual tasks necessary to meet requirements. Prepare detailed descriptions of each task, work scope and budget for airport review.
- 1.2 Work with the City to identify potential members of a Planning Advisory Committee (PAC), which may include some or all airport advisory board members, tenants, city officials, county officials, and/or economic development representatives.
- 1.3 Prepare items for the kickoff meeting (exhibits, handouts, agenda, etc.)
- 1.4 Conduct a kick-off meeting at the initiation of the study. Prepare and distribute meeting minutes. The kick-off meeting agenda will include:
 - An overview of the planning project
 - A review of existing circumstances and operations
 - A preliminary discussion of the city's future plans and dreams

Task 2: Inventory and Data Collection

- 2.1 Inventory the airport's existing terminal area facilities, such as buildings, airfield pavement, roads, and fuel storage. The facilities age, type and condition will be noted, and photographs will be taken.
- 2.2 Collect data on current operations and based aircraft from the airport records.
- 2.3 Collect data on local planning and zoning requirements in the proposed new terminal area.
- 2.4 Collect data on existing utilities in the proposed terminal area.
- 2.5 Compile existing topographic data utilizing LIDAR from previous Airport Planning Efforts and/or Public LIDAR sources.

Task 3: Alternatives Analysis and Capital Improvement Plan

- 3.1 Evaluate potential landside alternatives in the area west of Runway end 4.
- 3.2 Evaluate existing and ultimate utility needs in the proposed terminal area.
- 3.3 Evaluate options for fuel system upgrades, a self-fueling system and potential location sin the existing terminal area and the proposed west terminal area.
- 3.4 Develop preliminary drawings of 2-3 possible alternatives in the proposed terminal area.

- 3.5 Develop preliminary cost estimates of the proposed west terminal area to assist in the analysis of alternatives
- 3.6 Conduct a public open house at the airport to discuss the alternatives and priorities.
- 3.7 Prepare a draft Capital Improvement Plan for the following items:
 - West terminal area (preferred alternative)
 - Pavement rehabilitation needs in the existing terminal area
 - Self-service fuel facility
- 3.8 Conduct a conference call with airport staff and city public works to discuss the final Capital Improvement Plan priorities.
- 3.9 Prepare a memorandum that documents the analysis, recommendations and Capital Improvement Plan. Distribute to the city for review.

Task 4: Environmental Overview

This task will include an overview of potential environmental impacts due to the proposed developments. The overview will consider each of the following environmental impact categories, as listed in FAA Order 1050.1F. A concise summary of potential impacts will be prepared.

4.1 Collect on-line data for the environmental inventory, including wetland inventory for the airport property and adjacent property, floodplains, parks, and landfill locations from public sources. Obtain information regarding environmental sensitivities on or near airport property. When establishing the boundaries of the inventory, any potential off-airport improvements will be considered, such as road relocation.

Sources of information will include past environmental documents, agency maps, existing literature, and relevant internet sources. Examples of information to be gathered includes socioeconomic conditions (low income and minority populations), waters of the U.S. (including wetlands, riparian areas, etc.), threatened or endangered species, floodplains, cultural resources, air quality, parks and natural resource areas, and prime farmland. Informal consultation with various federal and state agencies may occur only if needed information is not available through resources listed above.

4.2 Archeological / Cultural Resources Survey.

Example only – if city desires to include this work, an updated scope will be provided.

The scope of the proposed archeological investigation was developed for compliance with Section 106 of the National Historic Preservation Act (NHPA). All work will meet federal and state standards and comply with the following applicable laws and regulations:

- The National Historic Preservation Act
- The National Environmental Policy Act
- The Kansas Unmarked Burial Site Preservation Act
- The Kansas Historic Preservation Act.

- Secretary of the Interior's Standards and Guidelines for Archeology and Historic Preservation and Identification
- Kansas State Historic Preservation Office (KSHPO) Archeological Properties, Section 106 Guidelines

The project will consist of three components.

Background Research: Comprehensive background research regarding previous archeological efforts in the project area and determine if there are any known archeological properties in the Area of Potential Effects (APE). This portion of the project will be accomplished through consultation of the Kansas State Archeology Office and Kansas State Historical Preservation Office. The background study will also incorporate data that identifies landforms with an increased likelihood of containing deeply buried archeological deposits. This phase of work will also involve coordination with the Kansas SHPO.

Field Investigation: Pedestrian archeological survey of 100 percent of the APE. The survey will proceed along 20-30 meter wide zig-zag or linear transects. Special attention will be paid to animal trails, stream banks, road cuts, or other eroded areas that provide an opportunity to examine the subsurface character of study areas. In project areas with less than 25 percent surface visibility, systematically spaced shovel or auger tests will be placed to improve surface visibility. Fieldwork may also consist of placing mechanical backhoe trenches in any areas with potential for deeply buried archeological deposits based on the results of the background research. All discovered archeological sites will be described, photographed, and mapped. SAO site forms will be completed for each site. Sufficient data will be gathered in the field to offer an informed evaluation of National Register of Historic Places (NRHP) eligibility based on physical integrity and significance values.

Reporting: The results of the background study and field investigation will be documented in a report of investigation. The report will provide sufficient information to assess any identified archeological sites and will offer recommendations regarding NRHP eligibility and Section 106 of the NHPA determination of effects. The report will meet standards required by the Kansas SHPO and be suitable for on-going consultation with relevant parties including the Kansas SHPO, Olsson, the project client, the lead federal agency, and tribal historic preservation offices (THPOs).

The survey limits (Area of Potential Effect or APE) are shown below - to be inserted

- 4.3 A memorandum will be drafted containing information on the following environmental resources in the west terminal area.
 - a. Air Quality
 - b. Biological Resources (including fish, wildlife, and plants). Letters will be sent to state and federal review agencies to gather information on potential impacts.
 - c. Climate
 - d. Coastal Resources
 - e. Department of Transportation Act, Section 4(f)
 - f. Farmlands
 - g. Hazardous Materials, Solid Waste, and Pollution Prevention

- Historical, Architectural, Archeological, and Cultural Resources. Letters will be sent to state and federal review agencies to gather information on potential impacts.
- i. Land Use
- j. Natural Resources and Energy Supply
- k. Noise and Noise-Compatible Land Use. Note that computer noise modeling and detailed noise analysis are not included in this project.
- I. Socioeconomics, Environmental Justice, and Children's Environmental Health and Safety Risks
- m. Visual Effects
- n. Water Resources (including wetlands, floodplains, surface waters, groundwater, and wild & scenic rivers). Analysis of surface waters, drainage and wetlands in the building area and access road will be included. Wetland delineation is not included in this project.

Task 5: Airport Layout Plan Drawings

The existing drawings will be updated to show the proposed terminal area improvements. Any changes to the drawings will be in accordance with FAA Standard Operating Procedure (SOP) 2.0 for FAA Review and Approval of Airport Layout Plans (ALPs) dated October 1, 2013; however, unaltered portions of the ALP may not be updated to new standards if not impacted by the terminal area changes.

The drawing sheet changes are as follows:

Sheet	
No.	Title
1	Cover Sheet: NO CHANGES,
	except to add a revision note.
2	Airport Layout Drawing
10	Terminal Area Drawing

No Changes will be made to:

Sheet	
No.	Title
3	FAR Part 77 Airspace Drawing
4	Runway 17 Inner Portion of Approach Surface Drawing
5	Runway 35 Inner Portion of Approach Surface Drawing
6	Runway 22 Inner Portion of Approach Surface Drawing
7	Runway 4 Inner Portion of Approach Surface Drawing
8	Runway 17-35 Centerline Profile Drawing
9	Runway 4-22 Centerline Profile Drawing
11	Land Use Drawing
12	Runway 17-35 40:1 Departure Surface Drawing
13	Runway 4-22 40:1 Departure Surface Drawing
14	Departure Surface Data Tables
	Exhibit A Property Map

Task 6: Project Documentation and Final Submittals

This task includes active project management, regular internal coordination meetings, and coordination with the city, FAA, and KDOT throughout the project. This task also includes internal reviews of draft and final documentation.

- 6.1 Prepare a narrative report that summarizes the project memorandums and documents the changes made to the drawings and the reasons for these changes. The report is anticipated to be less than 10 pages.
- 6.2 Project documentation and coordination with the city, KDOT, and FAA as required throughout project. This includes the project application and other grant related forms and documents.
- 6.3 Submit ALP drawings and narrative report to FAA. Complete final updates to these documents after receiving final review comments from the FAA and the city. Prepare these items for electronic transfer.
- 6.4 Present the results of the study at an airport advisory board meeting.
- 6.5 Upon final FAA approval, print the final ALP drawings and distribute for final signatures. Final reports, ALP drawings and copies will also be distributed to the airport, KDOT and FAA as listed below:
 - City one full-size drawing, two half-size drawings, two printed reports, and electronic copies of all items.
 - KDOT electronic copies only
 - FAA electronic copies only

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Passed and Approved this 8th day of July, 2025.

	Dawn McNay, Mayor
Attest:	
Tammy Nagel, City Clerk	

LEASE AGREEMENT

by and between

CITY OF PITTSBURG, KANSAS ("City"), a city organized under the laws of the State of Kansas

as Landlord

and

EAGLEPICHER TECHNOLOGIES, LLC, a Delaware limited liability company

as Tenant

Dated: July 8, 2025

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made as of the 8th day of July, 2025 (the "Effective Date"), by and between the CITY OF PITTSBURG, KANSAS (the "City" or "Landlord"), a city of the first class and municipal corporation organized under the laws of the State of Kansas, and EAGLEPICHER TECHNOLOGIES, LLC, a Delaware limited liability company (the "Tenant", and each of the City and Tenant, a "Party", and together, the "Parties").

WHEREAS, the City and Tenant entered into the Development and Funding Agreement on the date hereof (the "<u>Development Agreement</u>"), wherein the City, to encourage and foster economic prosperity for the City and its citizens, has agreed to issue the City Bonds (as defined in the Development Agreement) and to develop and construct a manufacturing facility of approximately 15,000 to 17,000 rentable square feet (the "<u>Building</u>") on property owned by the City, as more particularly described [and depicted] on <u>Exhibit A</u>, attached hereto (the "<u>Land</u>"); and

WHEREAS, in exchange for the City leasing the Land and the Building on the terms set forth in this Lease, Tenant intends to expand its manufacturing operations within the City.

NOW THEREFORE, in consideration of the mutual promises herein contained and other good and valuable consideration, receipt of which is hereby acknowledged, Landlord and Tenant agree as follows:

ARTICLE 1 DEFINED TERMS; TENANT CONTINGENCIES

- Section 1.1 <u>Defined Terms.</u> Capitalized, but undefined terms set forth in the Lease shall have the meaning ascribed to such terms in (a) the Work Agreement, attached hereto as <u>Exhibit B</u> and made a part of this Lease, or (b) the Development Agreement. All references to Landlord set forth below mean the City, in its capacity as the fee owner of the Property, but not in its governmental or regulatory capacity.
- **Section 1.2** <u>Lease Contingencies</u>. The effectiveness of this Lease is contingent upon (with all items being referenced herein collectively as the "<u>Lease Contingencies</u>") completion of the following items on or before the dates set forth in this Section 1.2 below (each, a "<u>Contingency Milestone</u>").
 - (a) Issuance of the City Bonds to finance the construction of the Building in compliance with Sections 3.1(a) and (b) of the Development Agreement;
 - (b) 50% Site and Structural Improvements Drawings approved by Landlord and Tenant in accordance with the provisions of **Exhibit B** on or before August 15, 2025
 - (c) 95% Site and Structural Improvements Drawings approved by Landlord and Tenant in accordance with the provisions of **Exhibit B** on or before October 1 2025
 - (d) Tenant's approval, in Tenant's sole and absolute discretion, of the Landlord's proposed budget for: (A) the construction of the Site and Structural Improvements and the

Tenant Improvements and all documentation in support thereof, including but not limited to the Construction Proforma to be attached hereto as **Exhibit B-3**, which proposed budget documentation shall be delivered to Tenant for approval (and in the case of the Site and Building Proforma and the Tenant Improvements Proforma, for attachment to this Lease) no later than March 1, 2025.

- (e) Receipt by Tenant of a copy of a guaranteed maximum price contract and all critical path subcontractor bids for the Site and Structural Improvements together with assurances from Landlord, that other than due to Change Orders initiated by Tenant, and increased costs due to Tenant Delays, any cost overruns shall be charged to Tenant but shall not increase the Basic Rent (defined below) payable hereunder; and
- (f) The Construction Milestones for completion of the Improvements (as defined below) have been agreed upon by the Parties.

Non-Fulfillment of Lease Contingencies. In the event that a Party Section 1.3 has been unable to satisfy the Lease Contingencies prior to a Contingency Milestone, then such Party may notify the other Party within ten (10) business days of the Contingency Milestone of the failure of such condition (the "Non-Fulfillment Notice") and of its intent to terminate this Lease, and this Lease shall terminate immediately with no further obligations of the Parties to each other if such Contingency Milestone is not satisfied within twenty (20) business days after the date of the Non-Fulfillment Notice or the date set forth in the Non-Fulfillment Notice, whichever is longer. If such event occurs as the result of Tenant's failure to satisfy any of its Lease Contingencies, Landlord shall prepare a detailed accounting with all back-up for Tenant of all costs incurred to such date of Landlord's receipt of the Non-Fulfillment Notice for those actual out-of-pocket costs and expenses incurred by Landlord related to its issuance of the City Bonds and for any work that has been performed by Landlord under Exhibit B as of the date of termination of this Lease in connection with site preparation and any other costs payable to Landlord (the "Sunken Costs"). Sunken Costs will exclude any costs incurred by Landlord that may be repurposed for another tenant or are reusable items. Landlord and Tenant shall have a period of thirty (30) days following receipt of all detailed accounting and back-up information to review and discuss. Upon the agreement of Landlord and Tenant of the accounting set forth above, the Sunken Costs shall be paid by Tenant within sixty (60) days thereafter. Landlord will work in good faith to minimize all Sunken Costs and costs associated with Lease termination. Any Party sending a Non-Fulfillment Notice may rescind such notice prior to the date of termination specified therein in the event that the sending Party or both Parties have determined that it is in their respective interest to continue this Lease and move forward with the construction of the Improvements.

ARTICLE 2 DEMISE

Section 2.1 <u>Demised Premises</u>. Landlord, for and in consideration of the rents, covenants and agreements hereinafter reserved, mentioned and contained on the part of Tenant, its successors and assigns, to be paid, kept, observed and performed, has leased, rented, let and demised, and by these presents does lease, rent, let and demise unto Tenant, and Tenant does hereby take and hire, upon and subject to the conditions and limitations hereinafter expressed, all

that parcel of land consisting of approximately 2.56 acres located on the Land, depicted on the plan attached hereto as **Exhibit A**, together with any appurtenant easements, as more particularly described in Exhibit A attached hereto and made a part hereof, together with all improvements located on and to be constructed thereon. The Improvements (as defined in the Work Agreement attached hereto as Exhibit B) and all other improvements, machinery, equipment, fixtures and other property, real, personal or mixed (except Tenant's personal property and trade fixtures) installed or located thereon, together with the Building based on the Building Specifications and all Tenant Improvements (each as defined in the Work Agreement attached hereto as Exhibit B) and with all other additions, alterations and replacements thereof are hereinafter referred to as the "Improvements," (as defined in Exhibit B). The Land and the Improvements are hereinafter referred to as the "Demised Premises." The Demised Premises are subject to the easements, restrictions, reservations and other "Permitted Encumbrances" referenced in Section 21.31 hereof. The structures located upon and being a part of the Demised Premises which are constructed for human occupancy, complex lab space, or for storage of goods, merchandise, equipment, or other personal property are collectively called the "Building." The Building shall constitute approximately [15,000 – 17,000] rentable square feet, measured in accordance with the Building Owners and Managers Association (BOMA) Standard Method of Measurement (ANSI Z65.2 – 2019) (the "BOMA Standard"). Within fifteen (15) days following Substantial Completion (as defined in Exhibit B) of the Improvements, Landlord shall deliver to Tenant a statement of the square footage of the Building ("Landlord's Measurement"). Tenant's architect may measure the Building in accordance with the BOMA Standard and submit such measurement to Landlord within ten (10) days after Tenant receives Landlord's Measurement. If the Building as measured by Tenant's architect ("Tenant's Measurement") varies by three percent (3.00%) or less from Landlord's Measurement, then the square footage of the Building shall be based on Landlord's Measurement for purposes of this Lease. If Tenant's Measurement varies by more than three percent (3.00%) from Landlord's Measurement, then Landlord's architect shall review Tenant's Measurement, and within ten (10) days after Landlord receives Tenant's Measurement (the "Resolution Period"), Landlord's architect and Tenant's architect shall meet (in person or virtually) and attempt in good faith to resolve the discrepancy. If within the Resolution Period Landlord's architect and Tenant's architect agree upon the rentable square footage of the Building, such agreed upon rentable square footage shall be binding upon Landlord and Tenant for all purposes of this Lease. If within the Resolution Period Landlord's architect and Tenant's architect do not agree upon the rentable square footage of the Demised Premises, then the two (2) architects shall jointly appoint a third (3rd) architect no later than five (5) business days after expiration of the Resolution Period, and upon such appointment, Landlord's architect and Tenant's architect each shall submit its final measurement of the Demised Premises (which may have been revised during the Resolution Period) to the third (3rd) architect. If a third (3rd) architect is appointed, he or she shall within ten (10) days after his or her appointment, measure the Building and decide which of the two (2) submitted final measurements is more accurate, and the final measurement selected by the third (3rd) architect shall be binding upon Landlord and Tenant for all purposes of this Lease. If pursuant to this Section 2.1 the Demised Premises is determined to be other than [15,000 - 17,000] rentable square feet, then within ten (10) days after such determination, Landlord and Tenant shall execute an amendment to this Lease confirming such revised rentable square footage, and adjusting the Basic Rent and other terms and conditions of this Lease. The

final rentable square footage of the Building shall be set forth in the Commencement Date Agreement, the form of which is attached hereto as Exhibit C.

ARTICLE 3 TERM

Section 3.1 **Term of Lease**. Landlord and Tenant acknowledge and agree that the target date for Substantial Completion of the Improvements is January 21, 2026 (the "Anticipated Commencement Date"). The term of this Lease (the "Term") shall commence on the earliest of (i) the date Tenant takes possession of the Demised Premises for the conduct of its business, or (ii) the date that the Demised Premises are Substantially Complete (as defined in Exhibit B), so long as Landlord delivers to Tenant no less than thirty (30) days' prior written notice of Substantial Completion of the Improvements, which date is anticipated to the Anticipated Commencement Date, unless otherwise mutually agreed upon by the Landlord and Tenant in accordance with Section 6(a) of the Work Agreement, and will be further adjusted on a day for day basis due to Unavoidable Delay and to Tenant Delay, and shall end on the last day of the one hundred twentieth (120th) month following the Commencement Date (the "Expiration Date"), subject to Section 22.2 below. Tenant shall not be liable to Landlord for the payment of Basic Rent (as hereinafter defined) or the payment of any other obligation to be paid by Tenant until the Commencement Date (defined below). "Lease Year" shall mean (i) with respect to the first Lease Year, if the Commencement Date does not occur on the first day of a calendar month, the period from the Commencement Date through the last day of the calendar month in which the first anniversary of the Commencement Date occurs and, if the Commencement Date occurs on the first day of a calendar month, the period from the Commencement Date through the day immediately prior to the first anniversary of the Commencement Date, and (ii) thereafter, each twelve (12) month period following the preceding Lease Year during the Term. The "Commencement Date" means the date payment of Basic Rent is to commence (subject to Section 3.5 below), which will be the date that is the first day of a calendar month and is six (6) months prior to the first payment of interest or principal (or both, whichever is first to occur) is due on the City Bonds. For example, if the first payment of interest on the City Bonds is due on September 1, 2025, the Commencement Date will be March 1, 2025.

Section 3.2 <u>Improvements</u>. Landlord shall construct the Improvements (as defined in the Work Agreement) in accordance with the Work Agreement.

Section 3.3 <u>Delivery of Possession</u>. Landlord will use commercially reasonable efforts to deliver possession of the Demised Premises to Tenant on or before the Anticipated Commencement Date, with the Improvements Substantially Completed in accordance with the Work Agreement and with all Building systems performing to specifications on an integrated basis, subject to any extension of such date as set forth in the Work Agreement due to Unavoidable Delay and Tenant Delay. Except as otherwise expressly set forth in <u>Section 3.5</u>, if Landlord is unable to deliver possession of the Demised Premises to Tenant with the Improvements Substantially Completed on or before the Anticipated Commencement Date, other than the Rent Credit (defined below), Landlord, its agents, employees and contractors shall not be liable or responsible for any claims, damages or liabilities arising in connection therewith or by reason thereof, and this Lease shall remain in full force and effect.

Section 3.4 <u>Milestones for Delivery of Possession</u>. <u>Exhibit B-2</u> outlines those approvals, critical path items and deadlines to complete construction of the Improvements (i.e., the Construction Milestones, as defined in <u>Exhibit B-2</u>) by the Commencement Date. For a failure to meet any interim Construction Milestones, the parties shall meet to discuss ways to get the project back on schedule. Tenant shall have the right to pursue the remedies as set forth in <u>Section 3.5</u> only in the event that Landlord fails to meet the Anticipated Commencement Date.

Section 3.5 <u>Tenant Remedies for Failure to Meet Anticipated Commencement Date.</u>

- (a) Landlord acknowledges that Tenant is induced to enter into this Lease by assurances from Landlord of its ability to timely deliver the Demised Premises as set forth herein; therefore, if Landlord cannot deliver possession of the Substantially Complete Demised Premises, subject to Unavoidable Delays and Tenant Delays, the following remedies shall apply: (i) commencing on the first (1st) day following the Anticipated Commencement Date to and through the thirtieth (30th) day following the Anticipated Commencement Date, the Landlord shall provide a credit against Basic Rent equal to one (1) day for each day of delay in the delivery of the Demised Premises, (ii) from and after the thirty-first (31st) day following the Anticipated Commencement Date, Landlord shall provide Tenant a credit against Basic Rent equal to two (2) days for each day of delay in the delivery of the Demised Premises until the Demised Premises are delivered in Substantially Complete condition, subject to Tenant's termination right as set forth in subsection (c) hereinbelow. The Basic Rent credits as set forth herein (the "Rent Credit") shall be calculated on a per diem basis and based equal to one-thirtieth (1/30th) of the monthly payment of Basic Rent. The Rent Credit shall be cumulative until such Demised Premises are delivered and shall commence following the Basic Rent abatement period, if any.
- (b) The Rent Credit as calculated herein is intended to be a reasonable approximation of the damages that Tenant will endure in the event that Landlord delivers the Demised Premises beyond the Anticipated Delivery Date. Such amount is intended to be liquidated damages and is not intended to be construed as a penalty.
- (c) In the event that the Demised Premises are not delivered by the one hundred eightieth (180th) day following the Anticipated Commencement Date, then Tenant shall have the right to terminate this Lease by delivering notice to Landlord of such intent and this Lease shall immediately terminate and the parties shall have no further obligations to each other.
- Section 3.6 <u>Commencement Date Agreement</u>. Within one hundred eighty (180) days after the Commencement Date, Landlord and Tenant shall execute the Commencement Date Agreement in the form of <u>Exhibit C</u> attached hereto. Tenant's failure to execute and deliver to Landlord the Commencement Date Agreement does not affect any obligation of Tenant under this Lease. If Tenant does not timely execute and deliver to Landlord the Commencement Date Agreement, Landlord and any prospective purchaser or encumbrancer may conclusively rely on the information contained in the unexecuted Commencement Date Agreement Landlord delivered to Tenant.

Non-Exclusive Access Period. Section 3.7 Upon the request of Tenant, Landlord shall grant to Tenant and its contractors non-exclusive access to the Demised Premises during the approximately two hundred seventy hundred (270) day period prior to the Commencement Date (the "Non-Exclusive Access Period") at reasonable times, for the purpose of installing trade fixtures, equipment, cabling, furniture and furnishings ("Tenant Installations"), provided, however, that the performance of Tenant's Installations does not interfere with or delay the performance of the completion of the Improvements and the Punch List items relating thereto and does not void any warranty for the Improvements. Tenant shall coordinate with the General Contractor (as defined in the Work Agreement) for the performance of Tenant's Installations during the Non-Exclusive Access Period. During the Non-Exclusive Access Period, Tenant at its expense may institute security measures for the Demised Premises, so long as (i) such measures do not delay or interfere with the performance of completion of the Improvements, and (ii) Tenant complies with Landlord's reasonable insurance requirements regarding same. Tenant shall obtain and maintain Causes of Loss - Special Form insurance on all of Tenant's Installations in the Demised Premises from the date of their installation with a waiver of subrogation in favor of Landlord. Prior to, and as a condition to entry by Tenant or its contractors during the Non-Exclusive Access Period, Tenant shall deliver to Landlord certificates of insurance as specified in Article 7. At all times during the Non-Exclusive Access Period, Tenant and its contractors shall comply with the reasonable directives of Landlord and the General Contractor. If the presence of Tenant or its contractors or the performance of Tenant's Installations in the Building delays or interferes with the performance of the Improvements in the reasonable opinion of Landlord or the General Contractor, then upon direction of Landlord or the General Contractor, Tenant and its contractors immediately shall cease performance of Tenant's Installations and vacate the Building, provided however, that in no event shall Tenant be required to vacate any portion of the Building. Tenant's access to and use and occupancy of the Demised Premises during the Non-Exclusive Access Period shall be under all of the terms and conditions of this Lease, except for the obligation to pay any amounts of Basic Rent or items of Additional Rent.

Section 3.8 Intentionally Omitted.

Section 3.9 <u>Intentionally Omitted.</u>

Section 3.10 Warranties; Corrections of Work.

(a) If, within one year after the date the entirety of the Improvements or a designated portion thereof are Substantially Completed, any of the Improvements are found not to be substantially in accordance with the requirements of the Work Agreement, Landlord shall cause the Improvements, including the repair or replacement of any defective item occasioned by poor workmanship or materials, to be corrected at Landlord's sole cost and expense after receipt of written notice from Tenant to do so, unless Tenant shall have given the Landlord express written acceptance of such defective workmanship or materials (such acceptance not being covered by Tenant's acceptance notice of the Premises at the conclusion of construction). Tenant shall deliver to Landlord written notice of such condition promptly after discovery. During the one-year correction period, if Tenant fails to deliver to the Landlord written notice of patent defective workmanship or materials, Tenant waives the right to require correction thereof by Landlord and to make a claim for breach of warranty. From

and after the expiration of the one (1) year period, Landlord agrees, upon receipt of written notice from Tenant, to cooperate with Tenant in the enforcement by Landlord, at Landlord's sole cost and expense, of any express warranties or guaranties of workmanship or materials given by subcontractors or materialmen that guarantee or warrant against defective workmanship or materials for a period of time in excess of the period described above and to cooperate with Tenant in the enforcement by Landlord, at Landlord's sole cost and expense, of any service contracts that provide service, repair or maintenance to any item incorporated in the Building for a period of time in excess of such period.

- (b) Landlord shall use commercially reasonable efforts to enforce all warranties given by contractors and sub-contractors in connection with the roof throughout the full warranty period.
- (c) Landlord shall use commercially reasonable efforts to enforce all warranties given by contractors and sub-contractors in connection with the Base Building Equipment (as defined below) throughout the full warranty period.

ARTICLE 4 RENT

Section 4.1 <u>Basic Rent</u>. In consideration of the leasing of the Demised Premises and the construction of the Improvements referred to in <u>Article 3</u> hereof, Tenant covenants to pay Landlord, without previous demand therefor and without any right of setoff or deduction whatsoever (except as expressly provided for herein, including without limitation, <u>Section 9.4(b)</u>), at the office of Landlord at **201 West 4th**, **Pittsburg, Kansas 66762** or at such other place as Landlord may from time to time designate in writing, a rental ("<u>Basic Rent</u>") for the Demised Premises. The Basic Rent will be paid monthly and calculated as follows: (a) an amount sufficient to reimburse the City for the costs of issuance of the City Bonds, (b) an amount sufficient to pay debt service on the City Bonds when and as due, and (c) an amount to provide the City a premium on the debt service due on the City Bonds of one percent (1%), divided by one hundred twenty (120) (i.e. number of months during the Term; plus \$25,000 monthly during the term of this Lease. Re-stating the calculation:

Monthly Basic Rent = ((a)+(b)+(c))/120) + \$25,000.

Basic Rent for the Term will be paid in monthly installments to the City on or before the fifth (5th) day of each month (whether or not a business day), beginning on the Commencement Date:

Tenant shall remit its Basic Rent and Additional Rent by ACH transaction, or such other account as Landlord may otherwise direct in writing from time to time.

Section 4.2 Additional Rent. This Lease is intended to be a triple net lease and other than Landlord's obligations set forth in Section 3.10, Landlord and Tenant intend for the Tenant to be responsible for all maintenance, repair and replacement obligations of the Building. Basic Rent shall be net to Landlord so that this Lease shall yield, net to Landlord, the Basic Rent

specified in Section 4.1 in each year of the Term. Except as otherwise expressly set forth herein, all payments, PILOT (as defined below), insurance premium, utility charge, maintenance, repair or replacement, expense or other obligation under this Lease that is the responsibility of Tenant (and any such items, if paid for by Landlord directly and invoiced to Tenant for reimbursement if required herein, are sometimes hereinafter collectively referred to as "Additional Rent") when such amount is due. Notwithstanding the preceding sentence, Landlord and Tenant agree that Landlord shall not be obligated to perform any duties other than those set forth in Section 3.10, and Landlord should not undertake any obligations related to the Demised Premises after Substantial Completion without Tenant's prior written consent. If Tenant fails to pay or discharge any amount of Additional Rent, Landlord may send written notice of such failure to Tenant and in the event that Tenant does not pay such Additional Rent within thirty (30) days after receipt of such notice from Landlord, Landlord may, but shall not be obligated, to pay the same, and in such event, Tenant shall reimburse Landlord therefor as Additional Rent. Any Additional Rent paid by Landlord shall bear interest at the Default Rate of Interest from the time paid by Landlord until reimbursement from Tenant. Tenant shall pay any penalties or interest on PILOT payments or any other item of Additional Rent where Landlord is required to send notice hereunder unless such penalty or interest first arises thirty (30) or less days following the delivery to Tenant of the invoice for such obligation. Basic Rent and Additional Rent may sometimes be collectively referred to herein as "Rent".

Delinquent Payments. All payments of Basic Rent and (except as Section 4.3 provided in Section 4.2 above) Additional Rent shall be payable without previous demand therefor and without any right of setoff or deduction whatsoever, except as provided in Section 9.4(b) of this Lease, and in case of nonpayment of any item of Additional Rent by Tenant when the same is due, Landlord shall have, in addition to all its other rights and remedies, all of the rights and remedies available to Landlord under the provisions of this Lease or by law in the case of nonpayment of Basic Rent. The performance and observance by Tenant of all the terms, covenants, conditions and agreements to be performed or observed by Tenant hereunder shall be performed and observed by Tenant at Tenant's sole cost and expense. Any installment of Basic Rent or Additional Rent or any other charges payable by Tenant under the provisions hereof which is not paid in accordance with the terms of this Lease shall bear interest at an annual rate equal to the then applicable Prime Rate of interest plus four percent (4%), which is sometimes hereinafter referred to as the "Default Rate of Interest." "Prime Rate" means the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. or if the Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H. 15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein or any similar release by the Federal Reserve Board (in all events established as of the day the Default Rate of Interest becomes applicable), but in no event in excess of the maximum lawful rate permitted to be charged. In addition, any installment of Basic Rent or Additional Rent or any other charges payable by Tenant under the provisions hereof which is not paid in accordance with the terms of this Lease shall be subject to a late payment fee of seven percent (7%) of the unpaid amount which late fee shall be assessed on the sixth (6th) day following such failure to pay.

Section 4.4 <u>Independent Obligations</u>. Except as otherwise expressly provided in this Lease, the covenants and obligations of Tenant to pay Basic Rent and Additional Rent hereunder shall be independent from any obligations, warranties or representations, express or implied, if any, of Landlord herein contained.

Section 4.5 Security Deposit. There shall be no security deposit in connection with this Lease.

Section 4.6 Payment Obligations and PILOT.

- (a) Except as set forth in Section 9.2(a) below, as of the Commencement Date, Tenant shall be responsible for all maintenance, operation, repair and replacement obligations for the Demised Premises Building, parking lots and entryways within the Demised Premises (whether or not now customary or in the contemplation of the Parties) during the Term. Further, Tenant will make the payments for PILOT when due, per Schedule 1.
- (b) Property Tax Payments Landlord and Tenant agree that Tenant is responsible for the following taxes, whether currently or hereafter in force or effect during the Term: (1) real property taxes and installments of assessments, special or otherwise, imposed upon the Property, and (2) Tenant shall not pay any of the following taxes which may or may not be taxed against Landlord or the Demised Premises: (A) federal, state, or local income taxes, and (B) franchise, gift, transfer, excise, capital stock, estate, succession, or inheritance taxes.

ARTICLE 5 USE OF DEMISED PREMISES

Permitted Use. The Demised Premises may be used for general Section 5.1 office, manufacturing, assembly, research and development, warehouse and laboratory use and purposes incidental to the foregoing (including typical amenities provided to tenants leasing manufacturing, laboratory and general office space), other uses permitted by applicable zoning regulations and for no other use or purpose whatsoever. Tenant shall not use or occupy the same, or knowingly permit them to be used or occupied, contrary to any statute, rule, order, ordinance, requirement or regulation applicable thereto, or in any manner which would violate any certificate of occupancy affecting the same, or which would make void or voidable any insurance then in force with respect thereto or which would make it impossible to obtain fire or other insurance thereon required to be furnished hereunder, or which would cause structural injury to the Improvements or cause the value or usefulness of the Demised Premises, or any portion thereof, to substantially diminish (reasonable wear and tear excepted), or which would constitute a public or private nuisance or waste or would violate any Hazardous Materials Laws (as defined in Section 10.5), and Tenant agrees that upon discovery of any such use, it will immediately take all necessary steps to compel the discontinuance of such use and remediate all damage resulting therefrom (unless same is caused by Landlord or its contractors, employees or agents, in which case Landlord will immediately take all necessary steps to compel discontinuance of such use and remediate all damage resulting therefrom).

Section 5.2 Preservation of Demised Premises. Tenant shall not use, suffer, or permit the Demised Premises, or any portion thereof, to be used by Tenant, any third party or the public in such manner in violation of applicable laws related to the Demised Premises, or in such manner as might reasonably tend to impair Landlord's title to the Demised Premises, or any portion thereof, or in such manner as might reasonably make possible a claim or claims of adverse usage or adverse possession by the public, as such, or third persons, or of implied dedication of the Demised Premises, or any portion thereof. Nothing in this Lease contained and no action or inaction by Landlord shall be deemed or construed to mean that Landlord has granted to Tenant any right, power or permission to do any act or make any agreement that may create or give rise to or be the foundation for any such right, title, interest, lien, charge or other encumbrance upon the estate of Landlord in the Demised Premises.

Section 5.3 Acceptance of Demised Premises. Except as otherwise expressly set forth herein, Tenant acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty express or implied, and expressly disclaims any and all oral, written, or implied representations to the Demised Premises or the Building or with respect to the suitability or fitness of either for the conduct of Tenant's business or for any other purpose and Tenant will accept the Demised Premises in first class condition and repair with all Base Building Equipment in good working order, subject to the obligations of the Parties pursuant to this Lease, including the Work Agreement. Tenant shall comply with the Permitted Encumbrances and any covenants, conditions, and restrictions affecting the Demised Premises and the Building that are recorded during the Term with the consent of Tenant (which consent will not be unreasonably withheld, conditioned or delayed so long as Tenant's Permitted Use is not impaired and Tenant's rights under this Lease are not decreased and obligations under this Lease are not increased, in each instance, other than in a *de minimis* respect).

ARTICLE 6 REAL ESTATE TAXES

Section 6.1 Payment of Real Estate Taxes. Tenant shall timely pay to Landlord the property taxes due under this Lease.

Section 6.2 Intentionally Omitted.

Section 6.3 Levies and Other Taxes. If, at any time during the Term, any method of taxation shall be such that there shall be levied, assessed or imposed on Landlord, or on the Basic Rent or Additional Rent or on the Demised Premises or on the value of the Demised Premises, or any portion thereof, a capital levy, sales or use tax, gross receipts tax or other tax on the Rents received therefrom, or a franchise tax, or an assessment, levy or charge measured by or based in whole or in part upon such Rents, or value, Tenant covenants to pay and discharge the same as a component of Additional Rent pursuant to Article 4 hereof. If the circumstance set forth in this Section 6.3 occurs, Tenant shall thereafter be relieved of the payments of any further PILOT under this Lease commencing on the day that the payment of the alternative tax or imposition is required. Nothing in this Lease contained shall require Tenant to pay any municipal, state or federal net income or excess profits taxes assessed against Landlord, or any municipal, state or federal

capital levy, estate, succession, inheritance or transfer taxes of Landlord, or corporation franchise taxes imposed upon any corporate owner of the fee of the Demised Premises.

ARTICLE 7 INSURANCE; RELEASE; INDEMNIFICATIONS

Section 7.1 Insurance Coverage.

- (a) During the Term, Tenant, at its sole cost and expense, shall obtain and continuously maintain in full force and effect the following insurance coverage:
- (i) Comprehensive general liability insurance against any loss, liability or damage on, about or relating to the Demised Premises, or any portion thereof, with limits of not less than Five Million Dollars (\$5,000,000.00) combined single limit, per occurrence and aggregate, coverage on an occurrence basis, and Ten Million Dollars (\$10,000,000.00) aggregate. Any such insurance obtained and maintained by Tenant shall name Landlord and Landlord's property manager and other designees in writing, each as an additional insured therein and shall be obtained and maintained from and with a reputable and financially sound insurance company authorized to issue such insurance in the state in which the Demised Premises are located. Such insurance shall specifically insure (by contractual liability endorsement) Tenant's obligations under Section 7.7 of this Lease.
- (ii) Causes of Loss Special Form insurance on the Tenant Improvements owned by Tenant in the Demised Premises from and after the Commencement Date, with a waiver of subrogation in favor of Landlord.
- (iii) Worker's compensation insurance as required by applicable Law.
- (iv) Comprehensive Automobile Liability insurance providing coverage against claims and losses resulting from bodily injury or property damage caused by or arising out of the ownership, maintenance, operation, use, loading or unloading of any motor vehicle, whether owned, hired, or non-owned, that is used in the performance of operations outlined in this Lease. Insurance will provide limits of at least One Million Dollars (\$1,000,000.00) per occurrence and in the aggregate annually, with no deductible for bodily injury and property damage.
- (iv) Such other insurance and in such amounts as may from time to time be reasonably required by Landlord, against other insurable hazards which at the time are commonly insured against in the case of premises and/or buildings or improvements similar in construction, design, general location, use and occupancy to those on or appurtenant to the Demised Premises.

The insurance set forth in this <u>Section 7.1(a)</u> shall be maintained by Tenant at not less than the limits set forth herein until reasonably required to be changed by Landlord, in writing, whereupon Tenant covenants to obtain and maintain thereafter such protection in the amount or amounts so required by Landlord, provided Landlord's requirements are customary with respect to tenants occupying whole buildings similar to and in the vicinity of the Building.

- (b) Landlord will (except for the optional coverages and endorsements set forth below) at all times during the Term maintain the insurance this <u>Section 7.1(b)</u> describes.¹
- Property insurance on the Building in an amount not less than the Full Replacement Cost (i) of the Improvements, including, overhead cranes, uninterrupted power supplies, generators, raised access flooring, the heavy duty equipment elevator, lightning protection equipment, and extraordinary foundation (but excluding Tenant's furnishings, trade fixtures and equipment, prototypes, models, test articles or objects, and antennas), insuring against loss or damage by fire and such other risks as are covered by the current ISO Special Form policy. "Full Replacement Cost" shall be interpreted to mean the cost of replacing the Improvements, (excluding footings and foundations), without deduction for depreciation or wear and tear, and it shall include a reasonable sum for architectural, engineering, legal, administrative and supervisory fees connected with the restoration or replacement of the Improvements, in the event of damage thereto or destruction thereof. Landlord, at its option, may obtain such additional coverages or endorsements as Landlord deems appropriate or necessary, including, without limitation, insurance covering foundation, grading, excavation and debris removal costs; business income and rent loss insurance; boiler and machinery insurance; ordinance or laws coverage; earthquake insurance; flood insurance; and other coverages. Landlord may maintain such insurance in whole or in part under blanket policies. Such insurance will not cover or be applicable to any personal property prototypes, models, test articles or objects, or trade fixtures of Tenant within the Demised Premises or otherwise located at the Demised Premises or any other such property (including that of third parties) in Tenant's care, custody or control at the Land. Such insurance shall specifically insure (by contractual liability endorsement) Landlord's obligations under Section 7.7 of this Lease.
- (ii) Commercial general liability insurance against claims for bodily injury, personal injury, and property damage occurring on the Land in such amounts as Landlord deems necessary or appropriate, but with limits of not less than Two Million Dollars (\$2,000,000.00) combined single limit, per occurrence and aggregate, coverage on an occurrence basis. Such liability insurance will protect only Landlord and, at Landlord's option, Landlord's lender, Landlord's property manager, and does not replace or supplement the liability insurance this Lease obligates Tenant to carry.

Section 7.2 <u>Insurance Provisions</u>. Each policy required under this <u>Article 7</u> shall have attached thereto (a) an endorsement that such policy shall not be cancelled or materially changed without at least thirty (30) days prior written notice to Landlord or Tenant, as applicable, and (b) an endorsement to the effect that the insurance as to the interest of Landlord shall not be invalidated by any act or neglect of Landlord or Tenant. Prior to the execution of this Lease, Tenant shall provide to Landlord certificates of insurance evidencing the coverage required hereunder, and thereafter, Tenant shall deliver to Landlord certificates of insurance within thirty (30) days of Landlord's written request therefor.

Section 7.3 <u>Waiver of Subrogation and Release</u>. The Parties shall cause to be inserted in their respective policy or policies of insurance required by this <u>Article 7</u> hereof a so-called "Waiver of Subrogation Clause". Each Party hereby waives, releases and discharges the

¹ TBD: To be confirmed whether Landlord will be maintaining any property insurance.

other, its agents and employees from all claims whatsoever arising out of loss, claim, expense or damage to or destruction covered or coverable by insurance required under this <u>Article 7</u> notwithstanding that such loss, claim, expense or damage may have been caused by such other Party, its agents or employees, and each Party agrees to look only to the insurance coverage in the event of such loss.

- Section 7.4 <u>Tenant's Personal Property</u>. Tenant shall maintain insurance coverage upon Tenant's personal property or the personal property of others (except for Landlord, and its agents and employees) kept, stored or maintained on the Demised Premises against loss or damage by fire, windstorm or other casualties or causes for such amount as Tenant may desire, and Tenant agrees that such policies shall contain a "Waiver of Subrogation Clause" as to Landlord.
- Section 7.5 <u>Unearned Premiums</u>. Upon expiration of the Term, the unearned premiums upon any insurance policies or certificates thereof lodged with Landlord by Tenant shall, subject to the provisions of <u>ARTICLE 13</u> hereof, be payable to Tenant.
- **Section 7.6** <u>Blanket Insurance Coverage</u>. Nothing in this <u>Article 7</u> shall prevent Tenant from taking out insurance of the kind and in the amount provided for under the preceding paragraphs of this <u>Article 7</u> under a blanket insurance policy or policies (certificates thereof reasonably satisfactory to Landlord shall be delivered to Landlord) which may cover other properties owned or operated by Tenant as well as the Demised Premises.

Section 7.7 Indemnifications.

- (a) Tenant hereby agrees to indemnify, defend, and hold Landlord harmless from third party claims: (i) for personal injury, bodily injury, death, or property damage occurring in the Demised Premises; or (ii) for incidents occurring in or about the Demised Premises. Tenant's indemnification shall not apply to third party claims arising out of the gross negligence or willful misconduct of Landlord and Landlord's agents, employees, or contractors.
- (b) Landlord hereby agrees to indemnify, defend, and hold Tenant harmless from third party claims for personal injury, bodily injury, death, or property damage caused by the gross negligence or willful misconduct of Landlord and Landlord's agents, employees, or contractors.

ARTICLE 8 UTILITIES

Section 8.1 Payment of Utilities. From and after the Commencement Date, Tenant will pay directly to the utility providing such utility services to the Demised Premises or chargeable against the Demised Premises, including all charges for water, sewage, heat, gas, electricity, telephone, data lines and cable installations, steam, power, trash removal or other public

or private utility services. [Prior to the Commencement Date, Landlord shall pay for all utilities or services at the Demised Premises.]²

Section 8.2 <u>Additional Charges</u>. Except for any charge or fee related to a Tenant-requested change or expansion to utilities, which charge or fee should be paid by Tenant, in the event that any other charge or fee is required after the Commencement Date by the State of Kansas, or by any agency, subdivision, or instrumentality thereof, or by any utility company furnishing services or utilities to the Demised Premises, as a condition precedent to furnishing or continuing to furnish utilities or services to the Demised Premises, such charge or fee shall be paid by Landlord (and included within Total Construction Costs hereunder). The provisions of this Section 8.2 shall include, but not be limited to, any charges or fees for present or future water or sewer capacity to serve the Demised Premises, any charges for the underground installation of gas or other utilities or services, and other charges relating to the extension of or change in the facilities necessary to provide the Demised Premises with adequate utility services.

ARTICLE 9 REPAIRS

Section 9.1 <u>Tenant's Obligations for Repairs and Maintenance</u>.

(a) Save and except for Landlord's repair and maintenance obligations provided for the guaranty against defective materials and workmanship or other guaranties provided for in Section 3.10 hereof, and the completion of Punch List items provided for in the Work Agreement, Tenant shall (i) take good care of the Demised Premises and shall keep the same in good order, condition and repair in a manner comparable to other similar first class office and industrial building standards in Pittsburg, Kansas, and shall make and perform all routine maintenance thereof, all repairs thereto (including without limitation the storm water structures and facilities (including without limitation inlets, outlets, pipes and retention ponds) serving the Demised Premises), interior and exterior, structural and nonstructural, ordinary and extraordinary, foreseen and unforeseen, of every nature, kind and description; (ii) keep and pay the costs of keeping the interior of the Improvements and the fixtures, signage and equipment which serve and are contained within the Improvements exclusively in good order, including providing janitorial services; (iii) reimburse Landlord for Landlord's cost to repair and maintain the interior of the Improvements to the extent such repair and maintenance is Landlord's obligation under this Lease; (iv) pay Landlord for repairs, maintenance and replacements to the Building if any such repairs, maintenance or replacements are needed because of Tenant's misuse or primary negligence, except to the extent that a claim for such repairs or replacements is waived under Section 7.4 hereof; (v) repair, maintain and replace special equipment or decorative treatments above Building standard installed by or at Tenant's request and that serve the Improvements only, except (A) to the extent the repairs, maintenance or replacements are needed because of Landlord's or a third party's misuse or primary negligence and the claim is not waived under Section 7.4 hereof; or (B) if the Lease is ended under

² TBD: Will Landlord or Tenant be responsible for payment of utilities during construction? Will utilities be in the project budget?

<u>Article 14</u> (Destruction and Restoration), <u>Article 15</u> (Condemnation), or <u>Section 13.9</u> (Landlord's Default); and (vi) not commit or permit waste.

- (b) All repairs made by Tenant shall be at least equal in quality to the original work and shall be made by Tenant in accordance with all Laws whether heretofore or hereafter enacted. The necessity for or adequacy of maintenance and repairs shall be measured by the standards which are appropriate for improvements of similar construction and class, provided that Tenant shall in any event make all repairs necessary to avoid any structural damage or other damage or injury to the Improvements.
- (c) Tenant shall cause bi-annual roof inspections of the Improvements to be conducted by a professional roofing company and shall provide Landlord with a copy of the annual inspection report within ten (10) days after receipt. Tenant shall provide for completion of all roof repairs by manufacturer approved firms, and neither Landlord nor Tenant shall allow any roof warranty to be voided.
- (d) Tenant shall cause required fire sprinkler testing to be conducted by a professional fire sprinkler company in accordance with the codes and standards of the National Fire Protection Agency and shall provide Landlord with a copy of all reports and test results within ten (10) days after receipt.
- (e) Tenant shall take good care of, repair and maintain all driveways, pathways, roadways, sidewalks, curbs, spur tracks, parking areas (including truck courts), loading areas, landscaped areas, entrances and passageways within the Demised Premises in good order and repair and shall promptly and reasonably remove all accumulated snow, ice and debris from any and all driveways, pathways, roadways, sidewalks, curbs, parking areas, loading areas, entrances and passageways within the Demised Premises, and keep all portions of the Demised Premises, including areas appurtenant thereto, in a clean and orderly condition free of snow, ice, dirt, rubbish, debris and unlawful obstructions.

Section 9.2 <u>Landlord's Obligations for Repairs and Maintenance</u>.

(a) During any period when Warranties are still in force and effect, Landlord shall maintain, repair and replace the following items of the Building: (i) the roof and roof membrane in watertight condition, (ii) the exterior walls (except paint), (iii) the foundation, (iv) any other structural elements, including internal structural or load-bearing walls, and (v) Base Building equipment and systems specified in **Exhibit B-1** or otherwise located within the Improvements (the "Base Building Equipment"), provided however, that Tenant shall be responsible for any supplemental or specialty systems installed by Tenant or in the event that Tenant requests Alterations pursuant to Section 20.1 hereof, then Landlord may condition its approval for such Alteration on Tenant's additional cost for excess wear and tear on any Base Building Equipment. When used in this Article 9, "repairs" shall include all replacements,

renewals, alterations, additions and betterments required or advisable for the prudent operation of first-class office and industrial building standards in Pittsburg, Kansas.

(b) All repairs made by Landlord under Section 9.2(a) shall be at least equal in quality to the original work and shall be made by Landlord in accordance with all Laws whether heretofore or hereafter enacted. The necessity for or adequacy of maintenance and repairs shall be measured by the standards which are appropriate for improvements of similar construction and class, provided that Landlord shall in any event make all repairs necessary to avoid any structural damage or other damage or injury to the Improvements.

Section 9.3 <u>Prohibition Against Waste</u>. Tenant shall not do or suffer any waste, damage, or injury to the Demised Premises, or any improvements hereafter erected thereon, or to the fixtures or equipment therein, or permit or suffer any overloading of the floors or other use of the Improvements that would place an undue stress on the same or any portion thereof beyond that for which the same was designed.

Section 9.4 Right to Effect Repairs.

- (a) If Tenant fails to perform any of its obligations under this Article 9, and such failure continues for thirty (30) days after Landlord delivers to Tenant written notice of such failure, provided however, that such period shall be extended for an additional reasonable period of time in the event that Tenant has commenced and is diligently pursuing such obligations during the initial thirty (30)-day period, then Landlord may, if it so elects, in addition to any other remedies provided herein, effect such repairs and maintenance. Any reasonable sums expended by Landlord in effecting such repairs and maintenance shall be due and payable within forty-five (45) days after Landlord delivers to Tenant a reasonably detailed statement therefor, together with interest thereon at the Default Rate of Interest from the due date to the date of repayment by Tenant. Tenant shall maintain at the Demised Premises all maintenance records and logs for all Building equipment and systems (excluding trade fixtures), which records and logs Tenant shall make available for Landlord's review and photocopying upon no less than twenty-four (24) hours' prior written notice.
- (b) If Landlord fails to perform any of its obligations under this Article 9, and such failure continues for thirty (30) days after Tenant delivers to Landlord written notice of such failure, provided however, that such period shall be extended for an additional reasonable period of time in the event that Landlord has commenced and is diligently pursuing such obligations during the initial thirty (30)-day period, then provided such failure on the part of Landlord materially interferes with Tenant's use of the Demised Premises in any manner, Tenant shall have the right to perform Landlord's obligations (and Landlord agrees that Tenant will have access to the Building, Base Building Equipment and Building structure to the extent necessary to perform the work contemplated by this provision), and any reasonable sums expended by Tenant in performing such obligations shall be due and payable within forty-five (45) days after Tenant delivers to Landlord a reasonably detailed statement therefor, together with interest thereon at the Default Rate of Interest from the due date to the date of payment by Landlord. If Landlord fails to pay the amount set forth on Tenant's statement within forty-five (45) days after delivery thereof, then Tenant shall be entitled to deduct from

Basic Rent and Additional Rent next due and owing the amounts expended by Tenant, including interest, until Tenant has been reimbursed in full. As a condition to exercising its self-help rights pursuant to this Section 9.4, Tenant shall deliver to any Mortgagee a copy of each notice delivered to Landlord and afford such Mortgagee the same opportunity to cure as afforded Landlord hereunder. In performing any repairs or replacements pursuant to this Section 9.4, Tenant shall (i) comply with all applicable Laws, insurance requirements and warranties, (ii) use materials and equipment compatible with the existing elements of the Building and of quality equal to or better than the original work, (iii) perform such work in a good and workmanlike manner, using only qualified contractors, licensed and bonded, (iv) complete such work free of mechanics' or other liens, and (v) provide Landlord with a copy of all operating manuals and warranties in connection with such work. If any such failure by Landlord to perform its obligations under this Article 9 results in an immediate threat of bodily harm to Tenant's employees, agents or invitees, or damage to Tenant's property, Tenant may perform such obligation without prior notice to Landlord, provided, however, in that event Tenant shall deliver written notice to Landlord as soon as possible after commencement of such performance.

Section 9.5 <u>Misuse or Neglect</u>. Subject to the release and waiver of subrogation set forth in <u>Section 7.3</u>, Tenant shall be responsible for the costs incurred by Landlord for all repairs to the Building which are made necessary by any misuse or neglect by: (i) Tenant or any of its officers, agents, employees, contractors, licensees, or subtenants; or (ii) any visitors, patrons, guests, or invitees of Tenant or its subtenants while in or upon the Demised Premises. Subject to the release and waiver of subrogation set forth in <u>Section 7.3</u>, Landlord shall be responsible at its own cost and expense for all repairs to the Building which are made necessary by any misuse or neglect by Landlord or any of its officers, agents, employees or contractors.

ARTICLE 10 COMPLIANCE WITH LAWS AND ORDINANCES

Section 10.1 Compliance with Laws and Ordinances.

- (a) Landlord shall deliver possession of the Demised Premises to Tenant with the Improvements in compliance with all applicable Laws (defined below). In furtherance of the foregoing, as of the Commencement Date, the Demised Premises shall comply with the Americans with Disabilities Act of 1990, as the same may have been modified or amended, and the regulations that have been promulgated in connection therewith. From and after the Commencement Date, the Demised Premises shall be in first-class condition and repair and all Base Building Equipment shall be in good working order on an integrated basis, as contemplated by the Work Agreement and the terms of this Lease.
- (b) Landlord shall, throughout the Term, and at Landlord's sole cost and expense, comply or cause compliance with or remove or cure any violation of any and all present and future laws, ordinances, orders, rules, regulations and requirements of all federal, state, municipal and other governmental bodies having jurisdiction over the Demised Premises and the appropriate departments, commissions, boards and officers thereof, and the orders, rules and regulations of the Board of Fire Underwriters where the Demised Premises are situated,

or any other body now or hereafter constituted exercising lawful or valid authority over the Demised Premises, or any portion thereof, or the sidewalks, curbs, roadways, alleys, entrances or railroad track facilities adjacent or appurtenant thereto, or exercising authority with respect to the use or manner of use of the Demised Premises, or such adjacent or appurtenant facilities, relevant to Tenant's specific use and occupancy of the Demised Premises (collectively, "Laws").

- (c) Until Substantial Completion of the Improvements, Landlord shall be responsible to comply with all applicable Laws which require the modification or installation of a capital improvement to the Building. As of the Commencement Date, Tenant shall be responsible to comply with all applicable Laws which require the modification or installation of a capital improvement to the Building The cost of such compliance shall be the responsibility of the Party responsible for compliance as set forth above.
- (d) Tenant shall be responsible for compliance with all Laws if and only if such requirements directly result from (a) Tenant's specific use of the Demised Premises, (b) a use which is not permitted by applicable zoning, or (c) for damage caused directly by Tenant. In performing its obligations under this <u>Section 10.1(d)</u>, Tenant shall have the benefit of the "grandfathering" or similar compliance deferral provision, if any, of the applicable Laws.

Section 10.2 <u>Compliance with Permitted Encumbrances</u>. Tenant, at its sole cost and expense, shall comply with all agreements, contracts, easements, restrictions, reservations or covenants, if any, contained in the Permitted Encumbrances, or hereafter consented to, in writing, by Tenant or requested, in writing, by Tenant. In performing its obligations pursuant to <u>Section 9.2</u>, Landlord shall not cause a violation of any of the Permitted Encumbrances. Landlord and Tenant shall comply with, observe and perform all provisions and requirements of all policies of insurance at any time in force with respect to the Demised Premises and required to be obtained and maintained under the terms of <u>Article 7</u> hereof and shall comply with all development permits issued by governmental authorities in connection with development of the Demised Premises.

Section 10.3 Tenant's Right to Contest Laws and Ordinances.

(a) After prior written notice to Landlord, Tenant, at its sole cost and expense and without cost or expense to Landlord, shall have the right to contest the validity or application of any Laws referred to in this Article 10 in the name of Tenant, by appropriate legal proceedings diligently conducted but only if compliance with the terms of any such Laws pending the prosecution of any such proceeding may legally be delayed without the incurrence of any lien, charge or liability of any kind against the Demised Premises, or any portion thereof, and without subjecting Landlord or Tenant to any liability, civil or criminal, for failure so to comply therewith until the final determination of such proceeding; provided, however, if any lien, charge or civil liability would be incurred by reason of any such delay, Tenant nevertheless may contest as aforesaid and delay as aforesaid, provided that such delay would not subject Tenant or Landlord to criminal liability and Tenant prosecutes the contest with due diligence and in good faith. Landlord shall reasonably cooperate in connection with any such contest by Tenant.

(b) If necessary or proper to permit Tenant so to contest the validity or application of any such Laws, Landlord shall, at Tenant's sole cost and expense, including reasonable attorneys' fees incurred by Landlord, execute and deliver any appropriate papers or other documents; provided, Landlord shall not be required to execute any document or consent to any proceeding which would result in the imposition of any cost, charge, expense or penalty on Landlord or the Demised Premises.

Section 10.4 Compliance with Hazardous Materials Laws.

- (a) Except as to minor amounts of chemicals generally used in most offices (such as copier toner) and minor amounts of cleaning supplies in compliance with all Laws, Tenant shall not bring any Hazardous Materials (as hereinafter defined) onto or generate within the Demised Premises or allow under its authority any Hazardous Materials to be brought onto or generated within the Demised Premises in violation of Hazardous Materials Laws. Tenant shall at all times and in all respects comply with all federal, state and local laws, ordinances and regulations ("Hazardous Materials Laws") relating to industrial hygiene, environmental protection or the use, analysis, generation, manufacture, storage, presence, disposal or transportation of any oil, petroleum products, flammable explosives, asbestos, urea formaldehyde, polychlorinated biphenyls, radioactive materials or waste, or other hazardous, toxic, contaminated or polluting materials, substances or wastes, including without limitation any "hazardous substances," "hazardous wastes," "hazardous materials" or "toxic substances" under any such laws, ordinances or regulations (collectively, "Hazardous Materials").
- (b) Tenant shall at its own expense procure, maintain in effect and comply with all conditions of any and all permits, licenses and other governmental and regulatory approvals required by Hazardous Materials Laws for Tenant's use of the Demised Premises, including, without limitation, discharge of (appropriately treated) materials or waste into or through any sanitary sewer system serving the Demised Premises. Except as discharged into the sanitary sewer in strict accordance and conformity with all applicable Hazardous Materials Laws, Tenant shall cause any and all Hazardous Materials to be removed from the Demised Premises and transported solely by duly licensed haulers to duly licensed facilities for final disposal of such Hazardous Materials and wastes. Tenant shall in all respects, handle, treat, deal with and manage any and all Hazardous Materials in, on, under or about the Demised Premises in complete conformity with all applicable Hazardous Materials Laws and prudent industry practices regarding the management of such Hazardous Materials. All reporting obligations to the extent imposed upon Tenant by Hazardous Materials Laws are solely the responsibility of Tenant. Upon expiration or earlier termination of this Lease, Tenant shall cause all Hazardous Materials (to the extent such Hazardous Materials are generated, stored, released or disposed of during the Term by Tenant) to be removed from the Demised Premises and transported for use, storage or disposal in accordance and in compliance with all applicable Hazardous Materials Laws. Tenant shall not take any remedial action in response to the presence of any Hazardous Materials in, on, about or under the Demised Premises, nor enter into any settlement agreement, consent, decree or other compromise in respect to any claims relating to or in any way connected with the Demised Premises without first notifying Landlord of Tenant's intention to do so and affording Landlord ample opportunity to appear,

intervene or otherwise appropriately assert and protect Landlord's interest with respect thereto. In addition, at Landlord's request, at the expiration of the Term, Tenant shall remove all tanks or fixtures which were placed on the Demised Premises by Tenant (or anyone acting by, through or under Tenant) during the Term and which contain, have contained or are contaminated with, Hazardous Materials.

(c) Tenant shall promptly notify Landlord in writing of (a) any enforcement, clean-up, removal or other governmental or regulatory action instituted, completed or threatened pursuant to any Hazardous Materials Laws; (b) any claim made or threatened by any person against Landlord, or the Demised Premises, relating to damage, contribution, cost recovery, compensation, loss or injury resulting from or claimed to result from any Hazardous Materials; and (c) any reports made to any environmental agency arising out of or in connection with any Hazardous Materials in, on or about the Demised Premises or with respect to any Hazardous Materials removed from the Demised Premises, including, any complaints, notices, warnings, reports or asserted violations in connection therewith. Tenant shall also provide to Landlord, as promptly as possible, and in any event within five (5) business days after Tenant first receives or sends the same, with copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to the Demised Premises or Tenant's use thereof. Upon written request of Landlord (to enable Landlord to defend itself from any claim or charge related to any Hazardous Materials Law), Tenant shall promptly deliver to Landlord notices of hazardous waste manifests reflecting the legal and proper disposal of all such Hazardous Materials removed or to be removed from the Demised Premises. All such manifests shall list Tenant or its agent as a responsible party and in no way shall attribute responsibility for any such Hazardous Materials to Landlord.

Section 10.5 <u>Hazardous Materials Representation by Landlord</u>. Landlord has obtained a Phase 1 environmental report for the Demised Premises and delivered a copy of same to Tenant before the Effective Date. Landlord represents to Tenant that, prior to the Commencement Date, other than minor amounts of chemicals generally used in the construction of the Improvements and only in strict compliance with Hazardous Materials Laws, Landlord has not caused the generation, storage or release of Hazardous Materials upon the Demised Premises. Throughout the Term, Landlord will immediately deliver to Tenant complete copies of all notices, demands, or other communications received by Landlord from any governmental or quasigovernmental authority, or any insurance company or board of fire underwriters or like or similar entities, regarding in any way (a) alleged violations or potential violations of any Hazardous Materials Laws or otherwise asserting the existence or potential existence of any condition or activity on the Demised Premises that is or could be dangerous to life, limb, property, or the environment (including without limitation water or air quality), or (b) releases or threatened releases of Hazardous Materials upon, under, at, in, or from the Demised Premises. Landlord shall immediately, upon Landlord receiving actual notice thereof, advise Tenant in writing (and orally in the event of a release or other emergency) of (a) any and all enforcement, cleanup, removal, mitigation, or other governmental, regulatory, or judicial acts or orders instituted, contemplated, or threatened pursuant to any Hazardous Materials Laws affecting the Demised Premises; (b) all claims made or threatened by any third party against the Demised Premises relating to damage, contribution, cost recovery, compensation, loss or injury resulting from any actual, proposed, or threatened use, handling, generation, manufacture, production, storage, release, discharge, treatment, removal, transportation, decontamination, cleanup, disposal, or presence of any Hazardous Materials on, under, from, to, or about the Demised Premises; (c) the discovery of any occurrence or condition at the Demised Premises that could cause the Demised Premises to be the subject of a claim, order, or action under any Hazardous Materials Laws or that is or could be dangerous to life, limb, property or the environment (including, without limitation, water or air quality), or (d) the discovery of any occurrence or condition at the Demised Premises that could subject the Landlord or Tenant to any material adverse effect on ownership, occupancy, transferability, marketability, or use of the Demised Premises under or as a consequence of any Hazardous Materials Laws. Landlord shall promptly observe, perform, and comply with all Hazardous Materials Laws applicable to the activities of Landlord and Landlord shall assume full responsibility for all enforcement, clean-up, removal, and mitigation orders or other governmental, regulatory, or judicial acts or orders instituted pursuant to or required for compliance with any Hazardous Materials Laws affecting the Demised Premises for which Landlord has responsibility under the terms of this Lease, that relate to Hazardous Materials present in the Demised Premises prior to delivery of possession to Tenant; and in all events arise out of acts or failures that are not caused by Tenant, and Landlord shall make all repairs and restorations to the Demised Premises required following the completion thereof.

Section 10.6 <u>Cost of Compliance</u>. Notwithstanding anything set forth in this Lease to the contrary, Tenant shall be responsible only for that part of the cost of compliance with Hazardous Materials Laws which relates directly to a breach by Tenant of the covenants contained in this Lease to be kept and performed by Tenant, including but not limited to the covenants contained in Section 10.4.

Section 10.7 Environmental Indemnification. Tenant shall indemnify, defend (with counsel reasonably acceptable to Landlord), protect and hold Landlord and each of Landlord's officers, directors, partners, members, employees, agents, attorneys, successors and assigns free and harmless from and against any and all claims, liabilities, damages, costs, penalties, forfeitures, losses or expenses (including attorneys' fees) for death or injury to any person or damage to any property whatsoever (including water tables and atmosphere) arising or resulting from the presence or discharge of Hazardous Materials, in, on, under, upon or from the Demised Premises or from the transportation or disposal of Hazardous Materials to or from the Demised Premises, to the extent caused by Tenant or occurring after delivery of possession to Tenant, and are not caused by Landlord. Tenant's obligations hereunder shall include, without limitation, and whether foreseeable or unforeseeable, all costs of any required or necessary repairs, clean-up or detoxification or decontamination of the Demised Premises, and the presence and implementation of any closure, remedial action or other required plans in connection therewith, and shall survive the expiration of or early termination of the Term. For purposes of the indemnity provided herein, any acts or omissions of Tenant, or its employees, agents, customers, sub-lessees, assignees, invitees, contractors or sub-contractors (whether or not they are negligent, intentional, willful or unlawful) shall be attributable to Tenant. Landlord shall indemnify, defend (with counsel reasonably acceptable to Tenant), protect and hold Tenant and each of Tenant's officers, directors, partners, employees, agents, attorneys, successors and assigns free and harmless from and against any and all claims, liabilities, damages, costs, penalties, forfeitures, losses or expenses (including attorneys' fees) for death or injury to any person or damage to any property whatsoever (including water tables and atmosphere) arising or resulting from the presence or discharge of Hazardous Materials, in, on, under, upon or from the Demised Premises located thereon or from the transportation or disposal of Hazardous Materials to or from the Demised Premises, to the extent caused by Landlord and are not caused by Tenant. Landlord's obligations hereunder shall include, without limitation, and whether foreseeable or unforeseeable, all costs of any required or necessary repairs, clean-up or detoxification or decontamination of the Demised Premises or the Improvements, and the presence and implementation of any closure, remedial action or other required plans in connection therewith, and shall survive the expiration of or early termination of the Term. For purposes of the indemnity provided herein, any acts or omissions of Landlord, or its employees, agents, customers, sub-lessees, assignees, contractors or sub-contractors of Landlord shall be attributable to Landlord.

Section 10.8 <u>Survival</u>. The respective rights and obligations of Landlord and Tenant under this <u>Article 10</u> shall survive the expiration or earlier termination of this Lease for a period of one (1) year.

ARTICLE 11 MECHANIC'S LIENS AND OTHER LIENS

Section 11.1 Freedom from Liens. Tenant shall not suffer or permit any mechanic's lien or other lien to be recorded against the Demised Premises, or any portion thereof, by reason of work, labor, skill, services, equipment or materials supplied to the Demised Premises at the request of Tenant, or anyone holding the Demised Premises, or any portion thereof, through or under Tenant. If any such mechanic's lien or other lien shall at any time be recorded against the Demised Premises, or any portion thereof, Tenant shall cause the same to be released of record by payment within ten (10) business days after the date of recording the same. If Tenant shall fail to obtain the release of such mechanic's lien or liens or other lien within such period, then, in addition to any other right or remedy of Landlord, after five (5) days prior written notice to Tenant, Landlord may, but shall not be obligated to, obtain the release of the same by paying to the claimant the amount claimed to be due, or as may in the future be provided by present or future Laws for the release of such lien as a lien against the Demised Premises. Any amount paid by Landlord, or the value of any deposit so made by Landlord, together with all reasonable, actual costs, fees and expenses in connection therewith (including reasonable attorney's fees of Landlord), together with interest thereon at the Default Rate of Interest set forth in Section 4.3 hereof, shall be repaid by Tenant to Landlord on demand by Landlord as Additional Rent. Tenant shall indemnify and defend Landlord against and save Landlord and the Demised Premises, and any portion thereof, harmless from all losses, costs, damages, expenses, liabilities, suits, penalties, claims, demands and obligations, including, without limitation, reasonable attorney's fees resulting from the assertion, filing, foreclosure or other legal proceedings with respect to any such mechanic's lien or other lien. Notice is hereby given that Landlord shall not be liable for any labor, services, materials, supplies, skill, machinery, fixtures or equipment furnished or to be furnished to Tenant upon credit, and that no mechanic's lien for any such labor, services, materials, supplies, machinery, fixtures or equipment shall attach to or affect the estate or interest of Landlord in and to the Demised Premises, or any portion thereof, except for work contracted by Landlord, including the Improvements, as provided in the Work Agreement attached hereto as **Exhibit B** or in Section 11.2.

Section 11.2 <u>Landlord's Indemnification</u>. The provisions of <u>Section 11.1</u> above shall not apply to any mechanic's lien for labor, services, materials, supplies, machinery, fixtures or equipment furnished to the Demised Premises in the performance of Landlord's obligations to construct the Improvements required by the provisions of <u>Article 3</u> hereof, and Landlord does hereby agree to indemnify and defend Tenant against and save Tenant and the Demised Premises, and any portion thereof, harmless from all losses, costs, damages, expenses, liabilities and obligations, including, without limitation, reasonable attorney's fees resulting from the assertion, filing, foreclosure or other legal proceedings with respect to any such mechanic's lien.

Section 11.3 <u>Removal of Liens</u>. Except as otherwise provided for in this <u>Article 11</u>, Tenant shall not create, permit or suffer, and shall promptly discharge and satisfy of record (by payment or posting a bond sufficient to constitute a discharge), any other lien, encumbrance, charge, security interest, or other right or interest which shall be or become a lien, encumbrance, charge or security interest upon the Demised Premises, or any portion thereof, or the income therefrom, or on the interest of Landlord or Tenant in the Demised Premises, or any portion thereof, save and except for those liens, encumbrances, charges, security interests, or other rights or interests consented to, in writing, by Landlord, or those mortgages, assignments of rents, assignments of leases and other mortgage documentation placed thereon by Landlord in financing or refinancing the Demised Premises.

ARTICLE 12 BUILDING SERVICES AND OPERATIONS

Section 12.1 <u>Building Services</u>. Tenant shall arrange for the provision of the following services to the Demised Premises:

- (a) Heating, ventilation, and air conditioning ("<u>HVAC</u>") for the Demised Premises to maintain temperatures for comfortable use and occupancy in light of the Tenant Improvements and to support equipment as set forth in the Building Specifications attached hereto as <u>Exhibit B-1</u>. Landlord shall be responsible for maintaining the HVAC system in a manner comparable to other buildings of similar class in Crawford County, Kansas (except that in the event that Tenant installs any supplemental HVAC system, then Tenant shall be responsible for all maintenance, repair and replacement of such supplemental system);
- (b) Hot and cold water sufficient for drinking, lavatory, toilet, and ordinary cleaning purposes to be drawn from approved fixtures in the Demised Premises;
- (c) Electricity and natural gas to the Demised Premises that provides electric current in reasonable amounts necessary for normal office use, lighting, and HVAC;
- (d) Maintenance of exterior common areas in a manner comparable to other buildings of similar class in Crawford County, Kansas. The maintenance shall include of sidewalks,

parking and landscaped areas; illumination; snow shoveling; deicing; repairs; replacements; lawn care and landscaping; and

(e) Security for common areas and trash removal for common areas in a manner comparable to other buildings of similar class in Crawford County, Kansas.

Section 12.2 24 Hour Access. Tenant, its employees, agents, and invitees shall have access to the Demised Premises twenty-four (24) hours a day, seven (7) days a week without any additional charge or costs, and at least one (1) elevator shall be available for Tenant's use within the Building at all times. Basic Rent and Additional Rent shall abate during any closing of the Building that lasts more than three (3) consecutive business days if the cause of such closing and the cure thereof is within Landlord's control. Tenant, at its sole cost and expense, shall have the right to install, maintain, repair, operate, and remove a perimeter access system of its choice with respect to the Demised Premises, which perimeter access system may include, but not be limited to, electronic card readers on all entrances to the Building and vehicle access control, such as guardhouses, at the entrances to the Land. Subject to the provisions of Section 21.1 hereof, Landlord shall have access to the Demised Premises.

Section 12.3 <u>Interruption of Services</u>. If any essential services (such as HVAC, passenger elevators, if necessary for reasonable access, electricity, water) supplied by Landlord are interrupted, and the interruption is within the control of Landlord and Landlord has failed to take commercially reasonable efforts to restore the services for any reason other than casualty whereby the provisions of Article 14 shall control, Tenant shall be entitled to an abatement of Basic Rent and Additional Rent. The abatement shall begin on the fourth (4th) consecutive business day of the interruption and shall apply to that portion of the Demised Premises rendered unusable. The abatement shall end when the services are restored to the portion of the Demised Premises affected by such interference. Tenant shall have the option to cancel the Lease if the interruption unreasonably and materially interferes with Tenant's use of or access to the Demised Premises for at least thirty (30) consecutive days or exceeds a total of one hundred eighty (180) days during any consecutive three (3) year period during the Term if the cause of such interruption and the cure thereof is within Landlord's control and Landlord has failed to take commercially reasonable efforts to restore the services. To exercise this option Tenant must give Landlord notice of the cancellation within ten (10) days from the end of the thirty (30) day period or following such one hundred eighty (180) days for persistent (but non-consecutive) interruptions. During any such interruption, Landlord shall use commercially reasonable efforts to restore the services as promptly as is possible.

Section 12.4 <u>Easements</u>. Landlord shall reasonably cooperate with any request of Tenant for any easements or licenses as may be necessary or desirable for Tenant to install communications equipment or other services in furtherance of its business operations. Such cooperation shall include, but not be limited to, granting such rights over land controlled by Landlord, enlisting the cooperation of other landowners, preparing and recording appropriate instruments to ensure such rights continue through the Term, trenching and other documentary, physical and communication needs.

Section 12.5 Security. From and after the Anticipated Commencement Date, Tenant shall be responsible for its own security for the Demised Premises during the Term.

Section 12.6 Communications. Tenant shall have the right to grant licenses to communication service providers for required antennas and equipment. In addition, Tenant shall have the right to install underground cabling and similar structures in support of its operations.

ARTICLE 13 DEFAULTS

Section 13.1 Event of Default. Each of the following events listed in this Section 13.1 shall constitute an "Event of Default":

- (a) If default shall be made in the due and punctual payment of any Basic Rent or Additional Rent payable under this Lease or in the payment of any obligation to be paid by Tenant, when and as the same shall become due and payable, and such default shall continue for a period of five (5) business days after written notice thereof is given by Landlord to Tenant;
- (b) If Tenant fails to keep, observe or perform any of the other obligations contained in this Lease, other than those referred to in subparagraphs (a) and (c) of this Section 13.1, and such failure shall continue for a period of thirty (30) days after written notice thereof is given by Landlord to Tenant, or in the case of such a default or contingency which cannot with due diligence and in good faith be cured within thirty (30) days, and Tenant fails to proceed promptly and with due diligence and in good faith to cure the same and thereafter to prosecute the curing of such default with due diligence and in good faith, it being intended that in connection with a default which is not susceptible of being cured with due diligence and in good faith within thirty (30) days, that the time allowed Tenant within which to cure the same shall be extended for such period as may be reasonably necessary for the curing thereof promptly with due diligence and in good faith, provided that in the absence of Unavoidable Delay, such time period may be extended for up to sixty (60) days beyond the thirty (30) day period for an aggregate of ninety (90) days;
- (c) If default shall be made by Tenant, by operation of law or otherwise, under the provisions of <u>Article 16</u> hereof relating to assignment, sublease, mortgage or other transfer of Tenant's interest in this Lease or in the Demised Premises or in the income arising therefrom, and such default is not cured within ten (10) business days after written notice thereof from Landlord to Tenant;

then, and in any such event, Landlord, at any time thereafter during the continuance of any such Event of Default, may give written notice to Tenant specifying such Event of Default or Events of Default and stating that this Lease shall expire and terminate on the date specified in such notice, and upon the date specified in such notice this Lease and the terms hereby demised, and all rights of Tenant under this Lease, including all rights of renewal whether exercised or not, shall expire and terminate, or in the alternative or in addition to the foregoing remedy, Landlord may assert and have the benefit of any other remedy allowed herein, at law, or in equity.

Section 13.2 <u>Surrender of Demised Premises</u>. Upon any expiration or termination of this Lease, Tenant shall quit and peaceably surrender the Demised Premises, in good working order and repair and broom-clean condition, and all portions thereof, to Landlord, and Landlord, upon or at any time after any such expiration or termination, may, only in accordance with applicable Laws, without further notice, enter upon and reenter the Demised Premises, and all portions thereof, and possess and repossess itself thereof, by force, summary proceeding, ejectment or otherwise, and may dispossess Tenant and remove Tenant and all other persons and property from the Demised Premises, and all portions thereof, and may have, hold and enjoy the Demised Premises and the right to receive all rental and other income of and from the same.

Section 13.3 <u>Reletting by Landlord</u>. At any time during the continuance of an Event of Default, or from time to time after any such expiration or termination, Landlord may relet the Demised Premises, or any portion thereof, in the name of Landlord or otherwise, for such term or terms (which may be greater or less than the period which would otherwise have constituted the balance of the Term) and on such conditions (which may include concessions or free Rent) as Landlord, in its reasonable discretion, may determine and may collect and receive the rents therefor. Landlord shall in no way be responsible or liable for any failure to relet the Demised Premises, or any part thereof, or for any failure to collect any rent due upon any such reletting, provided that Landlord uses commercially reasonable efforts to mitigate its losses and, upon such reletting, enforce the terms of such lease.

Section 13.4 <u>Survival of Tenant's Obligations</u>. No such expiration or termination of this Lease shall relieve Tenant of its liabilities and obligations under this Lease (as if this Lease had not been so terminated or expired), and such liabilities and obligations shall survive any such expiration or termination. In the event of any such expiration or termination, whether or not the Demised Premises, or any portion thereof, shall have been relet, Tenant shall pay to Landlord a sum equal to the Basic Rent, and the Additional Rent, and any other charges required to be paid by Tenant, up to the time of such expiration or termination of this Lease, and thereafter Tenant, until the end of what would have been the Term in the absence of such expiration or termination, shall be liable to Landlord for, and shall pay to Landlord, as and for liquidated and agreed current damages for Tenant's default:

- (a) The amount of the Basic Rent and Additional Rent which would be payable under this Lease by Tenant if this Lease were still in effect, less
- (b) The net proceeds of any reletting effected pursuant to the provisions of Section 13.3 hereof after deducting all of Landlord's reasonable expenses in connection with such reletting, including, without limitation, all repossession costs, brokerage commissions, legal expenses, reasonable attorney's fees, alteration costs, and expenses of preparation of the Demised Premises, or any portion thereof, for such reletting, with such expenses prorated for the term of such reletting and Tenant only being charged for such portion corresponding to the remainder of the Term (had there been no Event of Default).

Tenant shall pay such current damages in the amount determined in accordance with the terms of this Section 13.4, as set forth in a written statement thereof from Landlord to Tenant

(hereinafter called the "<u>Deficiency</u>"), to Landlord in monthly installments on the days on which the Basic Rent would have been payable under this Lease if this Lease were still in effect, and Landlord shall be entitled to recover from Tenant each monthly installment of the Deficiency as the same shall arise.

Section 13.5 <u>Damages</u>. At any time after an Event of Default and termination of this Lease, whether or not Landlord shall have collected any monthly Deficiency as set forth in <u>Section 13.4</u>, Landlord shall be entitled to recover from Tenant, and Tenant shall pay to Landlord, on demand, as and for final damages for Tenant's default, an amount equal to the difference between:

- (a) all Rent due and payable under this Lease as of the date of the Event of Default (less any monthly Deficiency paid by Tenant) and continuing through the end of the scheduled Term, and
- (b) the fair market rental value of the Demised Premises from the date of this determination of final damages through the end of the scheduled Term, net of Landlord's reasonable expenses incurred in connection with the reletting of the Demised Premises, which difference shall be discounted to present value (as of the date Tenant pays such final damages) at a rate equal to five percent (5%) per annum.

If the Demised Premises, or any portion thereof, be relet by Landlord for the unexpired Term, or any part thereof, before presentation of proof of such damages to any court, commission or tribunal, the amount of rent reserved upon such reletting shall, prima facie, be the fair and reasonable fair market rent for the part or the whole of the Demised Premises so relet during the term of the reletting. Nothing herein contained shall limit or prejudice the right of Landlord to prove for and obtain, as damages by reason of such expiration or termination, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceedings in which, such damages are to be proved, whether or not such amount be greater, equal to or less than the amount of the difference referred to above.

Section 13.6 No Waiver. No failure by Landlord or by Tenant to insist upon the performance of any of the terms of this Lease or to exercise any right or remedy consequent upon a breach thereof, and no acceptance by Landlord of full or partial Rent from Tenant or any third party during the continuance of any such breach, shall constitute a waiver of any such breach or of any of the terms of this Lease. None of the terms of this Lease to be kept, observed or performed by Landlord or by Tenant, and no breach thereof, shall be waived, altered or modified except by a written instrument executed by Landlord or by Tenant, as the case may be. No waiver of any breach shall affect or alter this Lease, but each of the terms of this Lease shall continue in full force and effect with respect to any other then existing or subsequent breach of this Lease. No waiver of any default of Landlord or Tenant herein shall be implied from any omission by Landlord or Tenant, as applicable, to take any action on account of such default, if such default persists or is repeated and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

Section 13.7 <u>Landlord's Additional Remedies</u>. Upon and during the continuance of an Event of Default, Landlord shall be entitled to enjoin such breach and shall have the right to invoke any right or remedy allowed at law or in equity or by statute or otherwise as though entry, reentry, summary proceedings and other remedies were not provided for in this Lease. Each remedy or right of Landlord provided for in this Lease shall be cumulative and shall be in addition to every other right or remedy provided for in this Lease, or now or hereafter existing at law or in equity or by statute or otherwise, and the exercise or the beginning of the exercise by Landlord of any one or more of such rights or remedies shall not preclude the simultaneous or later exercise by Landlord of any or all other rights or remedies.

Section 13.8 Bankruptcy. If, during the Term, (a) Tenant shall make an assignment for the benefit of creditors, (b) a voluntary petition be filed by Tenant under any applicable Laws having for its purpose the adjudication of Tenant a bankrupt, or Tenant be adjudged a bankrupt pursuant to an involuntary petition in bankruptcy, (c) a receiver be appointed for the property of Tenant, or (d) any department of the state or federal government, or any officer thereof duly authorized, shall take possession of the business or property of Tenant, the occurrence of any such contingency shall be deemed a breach of this Lease and Landlord and Tenant's rights and obligations in connection with such breach shall be governed by the applicable bankruptcy Laws. Tenant shall remain liable as hereinafter provided. Notwithstanding other provisions of this Lease, or any present or future Laws, Landlord shall be entitled to recover from Tenant or Tenant's estate (in lieu of the equivalent of the amount of all Rent and other charges unpaid at the date of such termination) as damages for loss of the bargain and not as a penalty, an aggregate sum which at the time of such termination represents the difference between the then present worth of the aggregate of the Basic Rent and Additional Rent and any other charges payable by Tenant hereunder that would have accrued for the balance of the Term (assuming this Lease had not been so terminated), over the then present worth of the aggregate fair market rent of the Demised Premises for the balance of such period, unless any statute or rule of law covering the proceedings in which such damages are to be proved shall limit the amount of such claim capable of being so proved, in which case Landlord shall be entitled to prove as and for damages by reason of such breach and termination of this Lease the maximum amount which may be allowed by or under any such statute or rule of law without prejudice to any rights of Landlord against any guarantor of Tenant's obligations herein. In the computation of present worth, a discount rate of five percent (5%) per annum shall be employed. Nothing contained herein shall limit or prejudice Landlord's right to prove and obtain as damages arising out of such breach and termination the maximum amount allowed by any such statute or rule of law which may govern the proceedings in which such damages are to be proved, whether or not such amount be greater, equal to, or less than the amount of the excess of the present value of the Rent and other charges required herein over the present value of the fair market rents referred to above. Specified remedies to which Landlord may resort under the terms of this Section 13.8 are cumulative and are not intended to be exclusive of any other remedies or means of redress to which Landlord may be lawfully entitled.

Section 13.9 Landlord's Default.

(a) In the event of any act or omission of Landlord constituting a default under this Lease by Landlord, Tenant shall not exercise any remedy until Tenant has given Landlord

prior written notice of such act or omission and until a thirty (30) day period of time to allow Landlord to remedy such act or omission shall have elapsed following the giving of such notice; provided, however, if such act or omission cannot, with due diligence and in good faith, be remedied within such thirty (30) day period, subject to Unavoidable Delays, then the time allowed Landlord within which to cure same shall be extended for such period as may be reasonably necessary for the curing thereof promptly with due diligence and in good faith, provided that in the absence of Unavoidable Delays, such time period may only be extended for up to sixty (60) days beyond the thirty (30) day period for an aggregate of ninety (90) days. Tenant will deliver to the holder ("Mortgagee") of any Mortgage whose name and address have been delivered to Tenant, a copy of any notice delivered to Landlord hereunder. Tenant agrees that in the event of any default by Landlord, Tenant will not exercise any remedy (i) until it has given written notice of such act or omission to the Mortgagee; and (ii) until the same period of time as is given to Landlord under the Lease to cure such act or omission shall have elapsed following such giving of notice to Mortgagee; provided, however, that Mortgagee shall have no duty or obligation to cure or remedy any breach or default. It is specifically agreed that Tenant shall not, as to Mortgagee, require cure of any such default which is personal to Landlord, and therefore not susceptible to cure by Mortgagee.

- (b) In the event Landlord's act or omission which constitutes a Landlord's default hereunder results in an immediate threat of bodily harm to Tenant's employees, agents or invitees, or damage to Tenant's property, Tenant may proceed to cure the default without prior notice to Landlord provided, however, in that event Tenant shall deliver written notice to Landlord as soon as possible after commencement of such cure.
- (c) If Landlord defaults under this Lease and Tenant cures such default (either pursuant to this Section 13.9 or pursuant to Section 9.4(b)), then if Landlord does not reimburse Tenant for any reasonable sums expended by Tenant in curing such default within thirty (30) days after Tenant delivers to Landlord a reasonably detailed statement therefor, then, unless Landlord delivers to Tenant written notice asserting a bona fide dispute with respect thereto together with payment of all undisputed amounts, (i) the amount of such expenditure shall bear interest at the Default Rate of Interest, and (ii) Tenant shall have the right to deduct the amount of such expenditure plus interest from the next installment(s) of Basic Rent and Additional Rent due under this Lease.

ARTICLE 14 DESTRUCTION AND RESTORATION

Section 14.1 Destruction and Restoration.

- (a) "Relevant Space" means: (i) the Demised Premises; (ii) reasonable access to the Demised Premises; and (iii) any part of the Building that provides essential services to the Demised Premises.
- (b) If the Relevant Space is damaged in part or whole from any cause and the Relevant Space can be substantially repaired and restored within two hundred seventy (270) days from the date of the damage using standard working methods and procedures, Landlord shall at its

expense promptly and diligently repair and restore the Relevant Space to substantially the same condition as existed before the damage. This repair and restoration shall be made within two hundred seventy (270) days from the date of the damage. If the Relevant Space cannot be repaired and restored within the two hundred seventy (270) day period, then either Party may, within ten (10) days after determining that the repairs and restoration cannot be made within two hundred seventy (270) days, cancel this Lease by giving written notice to the other Party; provided however, in the event such casualty was caused by one Party's gross negligence or willful misconduct, such Party shall not have such cancelation right.

- (c) Unless the damage is caused by Tenant's gross negligence or willful misconduct, the Basic Rent and Additional Rent shall abate in proportion to that part of the Demised Premises that is unfit for use in Tenant's business. The abatement shall consider the nature and extent of interference to Tenant's ability to conduct business in the Demised Premises and the need for access and essential services. The abatement shall continue from the date the damage occurred until the earlier of (i) the date Landlord substantially completes the repairs and restoration to the Relevant Space or the part rendered unusable and written notice to Tenant that the repairs and restoration are completed, or (ii) until Tenant again uses the Demised Premises or the part rendered unusable.
- (d) Landlord is not obligated to repair or restore damage to Tenant's trade fixtures, furniture, equipment, or other personal property, or any Alterations.
- (e) If more than twenty-five (25%) percent of the Building is damaged and Landlord decides not to repair and restore the Building or this Lease is in the last six (6) months of its Term, then Landlord or Tenant may cancel this Lease. To cancel, Landlord or Tenant must give written notice to the other Party within thirty (30) days after Landlord or Tenant knows of the damage. The notice must specify the cancellation date, which shall be at least thirty (30) days after the date notice is given.
- (f) If either Party cancels this Lease as permitted in this Section, then this Lease shall end on the day specified in the cancellation notice. The Basic Rent, Additional Rent, and other charges shall be payable up to the cancellation date and shall account for any abatement. Tenant shall promptly pay to Landlord any Basic Rent and Additional Rent that is outstanding as of the cancellation date (accounting for any abatement). Landlord shall promptly refund to Tenant any prepaid, unaccrued Basic Rent and Additional Rent, accounting for any abatement, less any sum then owing by Tenant to Landlord.

Section 14.2 <u>Completion of Restoration</u>. The foregoing provisions of this <u>Article 14</u> apply only to damage or destruction of the Demised Premises by fire, casualty or other cause occurring after the Commencement Date. Any such damage or destruction occurring prior to such time shall be restored, repaired, replaced and rebuilt by Landlord and during such period of construction Landlord shall obtain and maintain the builder's risk insurance coverage. All moneys received by Landlord under its builder's risk insurance coverage shall be applied by Landlord to complete the Restoration and if such insurance proceeds are insufficient Landlord shall provide all additional funds necessary to complete the Restoration.

ARTICLE 15 CONDEMNATION

Section 15.1 Condemnation of Entire Demised Premises. If, during the Term, the entire Demised Premises or portions of the Demised Premises necessary for reasonable access thereto or portions of the Building necessary (in Tenant's reasonable discretion) for the reasonable use of the Demised Premises shall be taken as the result of the exercise of the power of eminent domain (hereinafter referred to as the "Proceedings"), this Lease and all right, title and interest of Tenant hereunder shall cease and come to an end on the date of vesting of title pursuant to such Proceedings. In any taking of the Demised Premises, or any portion thereof, whether or not this Lease is terminated as provided by this Article 15, Tenant shall not be entitled to any portion of the award for the taking of the Demised Premises or damage to the Tenant Improvements, except as otherwise provided for (a) in Section 15.3 with respect to the restoration of the Improvements, or (b) the estate or interest of Tenant in any personal property or Improvements owned by Tenant at the time of the taking, all such award, damages, consequential damages and compensation being hereby assigned to Landlord, and Tenant hereby waives any right it now has or may have under present or future Laws to receive any separate award of damages for its interest in the Demised Premises, or any portion thereof, or its interest in this Lease, except that Tenant shall have the limited right to prove in its own Proceedings (but not to be included in any claim by Landlord) and to receive any award which may be made for damages to or condemnation of Tenant's movable trade fixtures and equipment, and for Tenant's relocation costs in connection therewith provided such award does not reduce the award to which Landlord is entitled.

Section 15.2 Partial Condemnation; Termination of Lease. If less than the entire Demised Premises, but more than fifteen percent (15%) of the floor area of the Building, or more than twenty-five percent (25%) of the land area of the Demised Premises, shall be taken in any such Proceedings, this Lease shall, upon vesting of title in the Proceedings, terminate as to the portion of the Demised Premises so taken, and Tenant may, at its option, terminate this Lease as to the remainder of the Demised Premises. Tenant shall not have the right to terminate this Lease pursuant to the preceding sentence unless (a) the business of Tenant conducted in the portion of the Demised Premises taken cannot reasonably be carried on with substantially the same utility and efficiency in the remainder of the Demised Premises (or any substitute space securable by Tenant pursuant to subsection (b) hereof) and (b) Tenant cannot construct or secure substantially similar space to the space so taken, of the Demised Premises. Such termination as to the remainder of the Demised Premises shall be effective on the earlier of the date (i) title vests in the condemning authority, or (ii) the date Tenant is dispossessed by the condemning authority. Upon the effective date of such termination, the Term, and all right, title and interest of Tenant hereunder, shall cease and come to an end. If this Lease is terminated as in this Section 15.2 provided, Landlord shall be entitled to and shall receive the award made in such Proceedings as to the Building or portion so taken, and Tenant shall be entitled to recover the value of its loss of leasehold interest, moving costs and any personal property of taken. In the event that Tenant elects not to terminate this Lease as to the remainder of the Demised Premises, the rights and obligations of Landlord and Tenant shall be governed by the provisions of Section 15.3 and Section 15.4 hereof.

Section 15.3 Partial Condemnation; Continuation of Lease. If fifteen percent (15%), or less, of the floor area of the Building, or twenty-five percent (25%), or less, of the land area of the Demised Premises, shall be taken in such Proceedings, or if more than fifteen percent (15%) of the floor area of the Building or more than twenty-five percent (25%) of the land area of the Demised Premises is taken (but less than the entire Demised Premises), and this Lease is not terminated as in Section 15.2 hereof provided, this Lease shall, upon vesting of title in the condemning authority, terminate as to the parts so taken, and Tenant shall have no claim or interest in the award, damages, consequential damages and compensation, or any part thereof except as otherwise provided in Section 15.1. The net amount of the award (after deduction of all costs and expenses, including attorneys' fees), shall be held by Landlord as trustee, or, if required by Landlord's Mortgagee, by Mortgagee and applied to the restoration of the Improvements and the Demised Premises. Landlord, in such case, covenants and agrees, at Landlord's sole cost and expense, promptly to restore that portion of the Improvements on the Demised Premises not so taken to a complete architectural and mechanical unit for the use and occupancy of Tenant as in this Lease provided, and this Lease shall terminate with respect to the portion of the Demised Premises so taken. From and after the date of delivery of possession to the condemning authority pursuant to the Proceedings, a just and proportionate part of the Basic Rent and Additional Rent, according to the extent and nature of such taking, shall abate for the remainder of the term of this Lease.

Section 15.4 <u>Continuance of Obligations</u>. In the event of any termination of this Lease, or any part thereof, as a result of any such Proceedings, Tenant shall pay to Landlord all Basic Rent and all Additional Rent and other charges payable hereunder with respect to that portion of the Demised Premises so taken in such Proceedings with respect to which this Lease shall have terminated justly apportioned to the date of such taking. From and after the date of vesting of title in such Proceedings, Tenant shall continue to pay the Basic Rent and Additional Rent and other charges payable hereunder, as in this Lease provided, to be paid by Tenant, subject to an abatement of a just and proportionate part of the Basic Rent according to the extent and nature of such taking as provided for in <u>Section 15.3</u> and <u>Section 15.5</u> hereof in respect to the Demised Premises remaining after such taking.

Section 15.5 Adjustment of Rent. In the event of a partial taking of the Demised Premises under Section 15.2 or Section 15.3 hereof, followed by Tenant's election not to terminate this Lease, the fixed Basic Rent payable hereunder during the period from and after the date of vesting of title in such condemning authority to the expiration of this Lease shall be reduced to a sum equal to the product of the Basic Rent provided for herein multiplied by a fraction, the numerator of which is the rentable square footage of the Demised Premises after such taking and after the same has been restored to a complete architectural unit, and the denominator of which is the rentable square footage of the Demised Premises prior to such taking.

ARTICLE 16 ASSIGNMENT; SUBLETTING; PERMITTED USERS

Section 16.1 Restriction on Transfer. Tenant shall not assign, mortgage, pledge, transfer or otherwise encumber or dispose of this Lease, or any interest therein, or in any manner assign, mortgage, pledge, transfer or otherwise encumber or dispose of its interest or estate

in the Demised Premises, or any portion thereof, without obtaining Landlord's prior written consent in each and every instance (except as otherwise provided herein), which consent shall not be unreasonably withheld, conditioned or delayed, provided the following conditions are complied with:

- (a) At the time of any assignment, and at the time when Tenant requests Landlord's written consent thereto, this Lease must be in full force and effect.
- (b) Any such assignee shall assume, in form and content reasonably satisfactory to Landlord, the due performance of all of Tenant's obligations under this Lease, including any accrued obligations at the time of the effective date of the assignment, and such assumption agreement shall state that the same is made by the assignee for the express benefit of Landlord as a third party beneficiary thereof. A copy of the assignment and assumption agreement, both in form and content satisfactory to Landlord, fully executed and acknowledged by assignee, together with a certified copy of a properly executed corporate resolution (if the assignee be a corporation) authorizing the execution and delivery of such assumption agreement, shall be sent to Landlord not less than ten (10) days prior to the effective date of such assignment.
- (c) Such assignment shall be subject to all the provisions, terms, covenants and conditions of this Lease, and Tenant-assignor and the assignee or assignees shall continue to be and remain liable under this Lease, without further amendment without Tenant-assignor's consent.
- (d) Tenant agrees to pay on behalf of Landlord any and all costs of Landlord actually incurred, including reasonable attorney's fees paid or payable to outside counsel, occasioned by such assignment or subletting, not to exceed One Thousand Dollars (\$1,000) in each instance.

Section 16.2 <u>Restriction From Further Assignment</u>. Notwithstanding anything contained in this Lease to the contrary and notwithstanding any consent by Landlord to any sublease of the Demised Premises, or any portion thereof, or to any assignment of this Lease or of Tenant's interest or estate in the Demised Premises, no sublessee shall assign its sublease nor further sublease the Demised Premises, or any portion thereof, and no assignee shall further assign its interest in this Lease or its interest or estate in the Demised Premises, or any portion thereof, nor sublease the Demised Premises, or any portion thereof, without Landlord's prior written consent in each and every instance which consent shall not be unreasonably withheld, conditioned or delayed. No such assignment or subleasing shall relieve Tenant from any of Tenant's obligations in this Lease contained.

Section 16.3 Notice of Assignment/Sublease. For any proposed assignment of this Lease or sublease of all or a portion of the Demised Premises hereunder, Tenant shall provide Landlord with prior written notice of (i) the name and registered address of the proposed assignee or subtenant, (ii) current financial statements of the proposed assignee or subtenant, (iii) the nature of the proposed assignee's or subtenant's business it intends to operate in the Demised Premises, (iv) the term of the proposed assignment or sublease, (v) the Dun & Bradstreet number, and (vi)

such other information regarding the assignee reasonably requested by Landlord. Landlord shall, within thirty (30) days after receipt of the foregoing information, deliver written notice to Tenant consenting to or denying consent to the proposed assignment or sublease. If Landlord denies consent, such notice shall set forth the specific reasons for such denial.

Section 16.4 Sharing of Excess Rent. If Landlord consents to Tenant assigning its interest under this Lease or subleasing some or all of the Demised Premises or if Tenant assigns this Lease to a party other than an Affiliate or Permitted User, Tenant shall pay to Landlord, in addition to Rent and all other amounts payable by Tenant under this Lease, fifty percent (50%) of the value of the assignment or subrent (if a sublease) and other considerations payable by such assignee or sublessee that is in excess of the Rent otherwise payable by Tenant from time to time under this Lease. For the purposes of this computation, the additional amount payable by Tenant shall be determined by application of the rental rate per square foot for the Demised Premises or any portion thereof so assigned and shall exclude payments for any personal property or equipment and shall not include payments from any supplier or customer of Tenant. Said additional amount shall be paid to Landlord immediately upon receipt by Tenant of such Rent or other considerations from the assignee or subtenant.

Section 16.5 Reserved.

Section 16.6 Affiliates. Tenant, without Landlord's consent, may assign this Lease or sublease all or a portion of the Demised Premises to an Affiliate, provided further that Tenant notifies Landlord contemporaneously with any such assignment or sublease and provides Landlord with a copy of such assignment or sublease document. "Affiliate" shall mean any related entity, subsidiary, parent company, affiliate of parent company or affiliate of Tenant, any company in which Tenant has a controlling interest, or to any successor corporation, whether by merger, consolidation or otherwise or to any person who purchases all or substantially all of Tenant's or its parent's assets. In addition, Tenant, without Landlord's consent, may permit the use of portions of the Demised Premises by Tenant's customers, vendors, licensees, partners or Affiliates (each, a "Permitted User"), provided that Tenant remains fully liable to Landlord under the terms of this Lease. Landlord's right described in Section 16.4 to share in any profit Tenant receives from an assignment or sublease does not apply to any assignment or sublease to an Affiliate.

ARTICLE 17 SUBORDINATION AND NON-DISTURBANCE; ATTORNMENT

Section 17.1 Subordination by Tenant.

(a) Subject to Section 17.1(b) hereof, this Lease and all rights of Tenant therein, and all interest or estate of Tenant in the Demised Premises, or any portion thereof, shall be subject and subordinate to the lien of any mortgage, deed of trust, security instrument or other document of like nature ("Mortgage"), which at any time may be placed upon the Demised Premises, or any portion thereof, by Landlord, and to any replacements, renewals, amendments, modifications, extensions or refinancing thereof, and to each and every advance made under any Mortgage, provided that a Landlord obtains a subordination, non-disturbance and attornment agreement as set forth in Section 17.1(b). The lien of any such Mortgage shall

not cover Tenant's trade fixtures or other personal property located in or on the Demised Premises.

(b) Within thirty (30) days after entering into a loan by Landlord with Landlord's Mortgagee, Landlord, Tenant and Landlord's Mortgagee shall execute a subordination, non-disturbance and attornment agreement substantially in the form of **Exhibit D**), with such changes mutually agreed upon by Landlord, Tenant and Mortgagee.

Section 17.2 Attornment. If any Mortgagee shall succeed to the rights of Landlord under this Lease or to ownership of the Demised Premises, whether through possession or foreclosure or the delivery of a deed to the Demised Premises, then, upon the written request of such Mortgagee so succeeding to Landlord's rights hereunder, Tenant shall attorn to and recognize such Mortgagee as Tenant's landlord under this Lease, and shall promptly execute and deliver any commercially reasonable instrument that such Mortgagee may reasonably request to evidence such attornment (whether before or after making of the Mortgage). In the event of any other transfer of Landlord's interest hereunder, upon the written request of the transferee and Landlord, Tenant shall attorn to and recognize such transferee as Tenant's landlord under this Lease and shall promptly execute and deliver any instrument that such transferee and Landlord may reasonably request to evidence such attornment.

ARTICLE 18 SIGNS

Section 18.1 Tenant's Signs. Landlord hereby grants exclusive signage rights to Tenant for Building signage and a monument sign at the entrance to the Land. In addition, Tenant shall have the right to place directional signage within the Demised Premises as may be necessary or desired. Subject to Landlord's review and prior written approval (not to be unreasonably withheld, conditioned or delayed) of Tenant's standard exterior building signage, Landlord may erect, at Tenant's cost, signs on the exterior or interior of the Building or on the landscaped area adjacent thereto, provided that such sign or signs (a) do not cause any damage to the Building; (b) do not violate applicable governmental Laws; (c) do not violate any existing restrictions affecting the Demised Premises; and (d) are reasonably compatible with the architecture of the Building and the landscaped area adjacent thereto. Subject to applicable zoning requirements and the approval of applicable governmental authorities, Tenant shall have the exclusive right throughout the Term to exterior Building signage on all four faces of the Building and a monument sign at the entrance to the Land. The method of attachment of any exterior Building signage shall be approved by Landlord, such approval to not be unreasonably withheld, conditioned or delayed.

ARTICLE 19 INTENTIONALLY OMITTED

ARTICLE 20 CHANGES AND ALTERATIONS

Section 20.1 <u>Tenant's Changes and Alterations</u>. Subject to the conditions set forth in this <u>Section 20.1</u>, which Tenant covenants to observe and perform, Tenant shall have the

right at any time, and from time to time during the Term, to make such changes and alterations, structural or otherwise, to the Improvements and fixtures hereafter erected on the Demised Premises as Tenant shall deem necessary or desirable in connection with the requirements of its business ("Alterations"), provided that:

- (a) No Alteration shall be undertaken until Tenant shall have procured and paid for, so far as the same may be required from time to time, all municipal, state and federal permits and authorizations of the various governmental bodies and departments having jurisdiction thereof, and Landlord agrees to join in the application for such permits or authorizations for Alterations permitted hereunder whenever such action is necessary, all at Tenant's sole cost and expense, provided such applications do not cause Landlord to become liable for any cost, fees or expenses.
- (b) Before commencement of any Alteration (hereinafter sometimes referred to as "Work"), Tenant shall notify Landlord of its intent to undertake such Work. Landlord's consent shall be required for any Work which affects the Building structure, Base Building Equipment, is outside of the Building, requires the consent of a Mortgagee or alters the Building's appearance. For Work which requires Landlord's consent hereunder, Landlord's consent shall not be unreasonably withheld, conditioned or delayed, provided Tenant shall (i) furnish Landlord with detailed plans and specifications of the proposed Alteration; (ii) obtain Landlord's prior written approval of a licensed architect or licensed professional engineer selected and paid for by Tenant, who shall supervise any such work (hereinafter referred to as "Alterations Architect or Engineer"); (iv) obtain Landlord's prior written approval of detailed plans and specifications prepared and approved in writing by said Alterations Architect or Engineer, and of each amendment and change thereto; and (v) work with a structural engineer in the event that the proposed Work involves the placement of equipment or other improvement that may exceed the floor load for the Building. Landlord shall provide Tenant its consent or denial of consent within ten (10) business days after Landlord has received such request with all of the information required above. Any denial of consent shall be accompanied by Landlord's reasoning for such denial and a statement of what is to be provided in order to obtain Landlord's consent. Tenant acknowledges and agrees that Landlord's denial of consent will be reasonable if, in the reasonable judgment of Landlord, the Alterations would impair the value or usefulness of the Demised Premises, or any substantial part thereof to Landlord). Tenant shall reimburse Landlord, as Additional Rent due and payable within thirty (30) days after Landlord delivers a statement therefor, for all reasonable costs and expenses incurred by Landlord in reviewing the design and installation of Tenant's proposed alterations. With respect to any Work requiring Landlord's consent pursuant to this Section 20.1(b), Landlord shall have the option to perform such work, and the costs of such Work shall be paid to Landlord by Tenant within thirty (30) days following Tenant's receipt of Landlord's written demand therefor (or, otherwise, pursuant to a payment schedule agreed to between Landlord and Tenant in connection with such Work). In any instance in which Landlord elects to perform such Work, Landlord shall obtain bids from not less than three (3) qualified, licensed and reputable third party contractors, and Landlord's costs to complete such Work shall not exceed the costs set forth in the lowest bid that is

responsive to the proposed scope of Work. Upon Tenant's request, Landlord shall make all such bids available for Tenant's review and inspection.

- (c) Any Alterations shall, when completed, be of such character as not to reduce the value or utility of the Demised Premises below its value or utility to Landlord immediately before such Alterations were installed; nor shall such Alterations reduce the area or cubic content of the Building, nor change the character of the Demised Premises or the Building as to use without Landlord's express written consent.
- (d) All Work done in connection with any Alterations shall be completed promptly and in a good and workmanlike manner and in compliance with all applicable building and zoning Laws of the jurisdiction in which the Demised Premises are situated, and with all applicable Laws. All Work shall be free of all mechanics' and other liens. The Work of any Alterations shall be prosecuted with reasonable dispatch, Unavoidable Delays excepted. The party completing such Work shall obtain and maintain, at Tenant's sole cost and expense, during the performance of the Work, workers' compensation insurance covering all persons employed in connection with the Work and with respect to which death or injury claims could be asserted against Landlord or Tenant or against the Demised Premises or any interest therein, together with comprehensive general liability insurance for the mutual benefit of Landlord and Tenant with limits of not less than One Million Dollars (\$1,000,000) in the event of injury to one person, Three Million Dollars (\$3,000,000) in respect to any one accident or occurrence, and One Million Dollars (\$1,000,000) for property damage, and the fire insurance with "extended coverage" endorsement required by Section 7.1 hereof shall be supplemented with "builder's risk" insurance on a completed value form or other comparable coverage on the Work.³
- (e) All Alterations (other than Tenant's movable trade fixtures and equipment) made or installed by Tenant shall immediately, upon completion or installation thereof, become the property of Landlord without payment therefor by Landlord, and shall be surrendered to Landlord on the expiration of the Term, provided that as a condition to granting approval for any Alterations (where approval is required), Landlord may require, by written notice to Tenant, given at or prior to the time of granting such approval, that Tenant remove any Alterations installed by Tenant in the Demised Premises at Tenant's sole cost and expense, and repair and restore any damage caused by the installation and removal of such Alterations; provided that only Alterations which must be removed at Tenant's cost shall be those specified in such notice and Tenant shall have no obligation to remove the initial Tenant Improvements (as defined in the Work Agreement). All Alterations installed by Tenant which did not require Landlord's prior approval shall be surrendered by Tenant to Landlord at the end of the Term.
- (f) Tenant shall notify Landlord in writing thirty (30) days prior to commencing any Alterations to the Demised Premises, so that Landlord shall have the right to record and post notices of non-responsibility on the Demised Premises. Subject to the rules and regulations

³ NTD: To be reviewed by Parties insurance consultants.

regarding security as may affect Tenant or the Demised Premises, Tenant shall provide copies of all drawings to Landlord that illustrate the as-built state (to the extent reasonably permissible) of the Demised Premises following any Alterations by Tenant.

ARTICLE 21 MISCELLANEOUS PROVISIONS

Section 21.1 Entry by Landlord. Landlord acknowledges the following: (1) Tenant is a national defense contractor; (2) Tenant's business operations require that U.S. Government classified and Tenant proprietary data, methods and capability be housed within the Demised Premises; (3) pursuant to the terms of this Lease, Tenant has exclusive possession of the Demised Premises with the right of quiet enjoyment. Subject to the security regulations of the United States government, its agencies and departments and Tenant's rules and procedures in connection therewith, Landlord may only enter the Demised Premises if escorted at all times by Tenant personnel, at such date and time that avoids disruption to Tenant's operations, and in strict compliance with the following:

- (a) In all instances (i) only with a minimum three (3) business day advance notice and full disclosure of the names, nationality, citizenship status, company represented and other requested information as to the persons who are requesting to enter the Demised Premises; (ii) Tenant has the right at its sole and absolute discretion, to deny entry to any person, and in that event, Tenant shall provide to Landlord the reasonable cause for such denial, and Landlord may provide a substitute person for Tenant's review and approval, (iii) Tenant's failure to approve a person for entry shall be deemed a denial, and (iv) Tenant has the absolute right at its sole and absolute discretion, reasonable or unreasonable, to deny entry to any portion of the Demised Premises housing U.S. Government classified or Tenant proprietary data, methods and capability.
- (b) To the extent that Landlord has a repair or maintenance obligation pursuant to the Lease, Landlord's entry shall be limited to those specific Building locations strictly necessary to comply with the maintenance or repair obligation. Landlord shall be excused from its performance obligations under the Lease for such portions of the Building during the duration of any period for which Landlord is denied access.
- (c) In the event Landlord wishes to finance or sell the Demised Premises, Landlord's entry shall be limited to building locations that (1) are unclassified; (2) do not disrupt Tenant's operations; and (3) do not contain Tenant proprietary data, methods or capability.
- (d) During the last three hundred sixty-five (365) days of the Term, if Tenant has no remaining options to extend or renew the Lease, and Landlord wishes to request entry for the purpose of marketing the Demised Premises to potential tenants, Landlord's entry shall be limited to building locations that (1) are unclassified; (2) do not disrupt Tenant's operations; and (3) do not contain Tenant proprietary data, methods or capability. Notwithstanding the above, Landlord acknowledges Tenant's right to protect Tenant proprietary data, methods and capability and Tenant has the right in Tenant's sole and absolute discretion, reasonable or

unreasonable, to limit entry by Tenant's business competitors to only those portions of the Demised Premises open to the general public.

Section 21.2 <u>Notices</u>. All notices, demands and requests which may be or are required to be given, demanded or requested by either Party to the other shall be in writing. All notices, demands and requests shall be sent by United States registered or certified mail, postage prepaid or by an independent overnight courier service, addressed as follows:

To the Landlord: City of Pittsburg, Kansas

201 West 4th Street
Pittsburg, Kansas 66762
Attention: City Manager
E-mail: daron.hall@pittks.org

With a copy to:

The Menghini Law Firm

City Attorney P.O. Box 1175

Pittsburg, Kansas 66762

Attention: Henry Menghini, Esq. E-mail: henry.menghini@pittks.org

To Tenant: EaglePicher Technologies, LLC

C and Porter Streets Joplin, MO 64801 Attn: Steven E. Westfall

Email: steve.westfall@eaglepicher.com

or at such other place as either Party may from time to time designate by written notice to the other Party. Notices, demands and requests which shall be served upon Landlord by Tenant, or upon Tenant by Landlord, in the manner aforesaid, shall be deemed given and received only if given by a national overnight delivery service at the regular mail address of the Party specified above, the day on which the notice is actually received by the Party, or if given by registered or certified mail, return receipt requested, postage prepaid at the regular mail address of the Party specified above, on the day signed for as evidenced by the return receipt. If notice is tendered under the provisions of this Lease and is refused by the intended recipient of the notice, or delivery is attempted during normal business hours, then the notice shall nonetheless be considered to have been given and shall be effective as of the date such delivery was refused, or delivery was attempted during normal business hours.

Section 21.3 Quiet Enjoyment. Landlord covenants and agrees that Tenant shall lawfully and quietly hold, occupy and enjoy the Demised Premises (subject to the provisions of this Lease) during the Term without hindrance or molestation by Landlord or by any person or persons claiming under Landlord.

Section 21.4 Landlord's Continuing Obligations. The term "Landlord," as used in this Lease so far as covenants or obligations on the part of Landlord are concerned, shall be limited to mean and include only the Landlord as defined in the preamble, and in the event of any transfer or transfers or conveyance the then grantor shall be automatically freed and relieved from and after the date of such transfer or conveyance of all liability as respects the performance of any covenants or obligations on the part of Landlord contained in this Lease thereafter to be performed, provided that any funds in the hands of such landlord or the then grantor at the time of such transfer, in which Tenant has an interest, shall be turned over to the grantee, and any amount then due and payable to Tenant by Landlord or the then grantor under any provision of this Lease shall be paid to Tenant. After transfer or conveyance of the fee interest in the Demised Premises, the grantee shall be deemed to be the "Landlord" for all purposes during its ownership of the fee interest. The covenants and obligations contained in this Lease on the part of Landlord shall, subject to the aforesaid, be binding on Landlord's successors and assigns. Nothing herein contained shall be construed as relieving Landlord from any obligation to complete the cure of any breach by Landlord during the period of its ownership of the Demised Premises.

Section 21.5 Estoppel. Landlord and Tenant shall, each without charge at any time and from time to time, within fifteen (15) business days after written request by the other Party, certify by written instrument, duly executed, acknowledged and delivered to any Mortgagee, assignee of a Mortgagee, proposed mortgagee, or to any purchaser or proposed purchaser, or to any other person dealing with Landlord, Tenant or the Demised Premises:

- (a) That this Lease (and all guaranties, if any) is unmodified and in full force and effect (or, if there have been modifications, that the same is in full force and effect, as modified, and stating the modifications);
- (b) The dates to which the Basic Rent and Additional Rent have been paid in advance;
- (c) Whether or not there are then existing any breaches or defaults by such Party or the other Party known by such Party under any of the covenants, conditions, provisions, terms or agreements of this Lease, and specifying such breach or default, if any, or any setoffs or defenses against the enforcement of any covenant, condition, provision, term or agreement of this Lease (or of any guaranties) upon the part of Landlord or Tenant (or any guarantor), as the case may be, to be performed or complied with (and, if so, specifying the same and the steps being taken to remedy the same); and
- (d) The Expiration Date of this Lease.

It is the intention of the Parties hereto that any statement delivered pursuant to this <u>Section 21.5</u> may be relied upon by any of such Parties dealing with Landlord, Tenant or the Demised Premises. Statements of Tenant or Landlord may be made to the knowledge of the undersigned, without inquiry.

Section 21.6 <u>Recordation</u>. This Lease shall not be recorded. At the request of either Party, the Parties shall promptly execute and record in the Land Records, at the cost (including payment of all transfer and recordation taxes, and any other fee or charge) of the

requesting Party (and indemnifying and holding the other Party harmless from any such cost, tax, fee or charge), a short form memorandum of this Lease describing the Demised Premises and stating the Term, the Commencement Date and the Expiration Date, and any other information the Parties reasonably agree to include.

- Section 21.7 <u>Severability</u>. If any covenant, condition, provision, term or agreement of this Lease shall, to any extent, be held invalid or unenforceable, the remaining covenants, conditions, provisions, terms and agreements of this Lease shall not be affected thereby, but each covenant, condition, provision, term or agreement of this Lease shall be valid and in force to the fullest extent permitted by law.
- **Section 21.8** <u>Successors and Assigns</u>. The covenants and agreements herein contained shall bind and inure to the benefit of Landlord, its successors and assigns, and Tenant and its permitted successors and assigns.
- **Section 21.9** Captions. The caption of each article of this Lease is for convenience and reference only, and in no way defines, limits or describes the scope or intent of such article or of this Lease.
- **Section 21.10** Relationship of Parties. This Lease does not create the relationship of principal and agent, or of partnership, joint venture, or of any association or relationship between Landlord and Tenant, the sole relationship between Landlord and Tenant being that of landlord and tenant.
- **Section 21.11** Entire Agreement. All preliminary and contemporaneous negotiations are merged into and incorporated in this Lease. This Lease together with the Exhibits contains the entire agreement between the Parties and shall not be modified or amended in any manner except by an instrument in writing executed by the Parties hereto.
- Section 21.12 No Merger. There shall be no merger of this Lease or the leasehold estate created by this Lease with any other estate or interest in the Demised Premises by reason of the fact that the same person, firm, corporation or other entity may acquire, hold or own directly or indirectly, (a) this Lease or the leasehold interest created by this Lease or any interest therein, and (b) any such other estate or interest in the Demised Premises, or any portion thereof. No such merger shall occur unless and until all persons, firms, corporations or other entities having an interest (including a security interest) in (1) this Lease or the leasehold estate created thereby, and (2) any such other estate or interest in the Demised Premises, or any portion thereof, shall join in a written instrument expressly effecting such merger and shall duly record the same.
- Section 21.13 <u>Possession and Use</u>. Tenant acknowledges that the Demised Premises are the property of Landlord and that Tenant has only the right to possession and use thereof upon the covenants, conditions, provisions, terms and agreements set forth in this Lease.
- Section 21.14 <u>No Surrender During Lease Term</u>. No surrender to Landlord of this Lease or of the Demised Premises, or any portion thereof, or any interest therein, prior to the expiration of the Term shall be valid or effective unless agreed to and accepted in writing by

Landlord, and no act or omission by Landlord or any representative or agent of Landlord, other than such a written acceptance by Landlord, as aforesaid, shall constitute an acceptance of any such surrender.

Section 21.15 Satellite Rights; Roof. Subject to all Laws, and this Section 21.15, Tenant shall have the exclusive right to use portions of the roof or the Land to install, operate and maintain a microwave dish or similar antenna for telecommunications solely for Tenant's personal use within the Demised Premises ("Telecommunications Equipment"). Landlord will install the Telecommunications Equipment, at Tenant's cost, only in locations reasonably determined by installation, maintenance, replacement and removal Landlord. Tenant's Telecommunications Equipment must comply with the requirements of any Building roof warranties (including without limitation the requirement that all roof penetrations be performed by an approved roofer), all provisions of Article 20 governing alterations, and the other terms and conditions of this Lease. Such installation, operation and maintenance is subject to Tenant and maintaining all governmental approvals required Telecommunications Equipment and otherwise complying with all applicable Laws relating The Telecommunications Equipment must not interfere with any existing Building equipment. All Telecommunications Equipment will remain the personal property of Tenant, will be located and maintained at Tenant's sole cost and risk, and will be removed by Landlord (or, at Tenant's option, by Tenant under consultation with Landlord's usual roofing contractor) at Tenant's cost at the end of the Term pursuant to the provisions of Section 21.17 and Tenant shall cause the repair of any damage caused by such removal. Landlord will not use (other than in connection with its obligations hereunder) space on the roof of the Building or allow others to use the roof of the Building for any purpose. There shall be no charge to Tenant throughout the Term for its use of the roof of the Building. Tenant shall indemnify and hold harmless Landlord from and against any losses or damages suffered by Landlord as the direct result of damage to the roof membrane of the Building or other damages arising out of Tenant's use and maintenance of the Telecommunications Equipment on the roof.

Section 21.16 <u>Parking</u>. Tenant shall be entitled to exclusive parking adjacent to the Building to be constructed on the Land free of charge throughout the Term (i.e., Landlord shall provide at least five hundred (500) full size parking spaces) in accordance with the site plan.

Section 21.17 <u>Surrender of Demised Premises</u>. At the expiration of the Term, Tenant shall surrender the Demised Premises in broom-clean condition, reasonable wear and tear, condemnation and casualty not required to be insured by Tenant excepted and otherwise subject to the provisions this Lease. Tenant shall surrender all keys and access cards (if any) to the Demised Premises to Landlord at the place then fixed for the payment of Basic Rent and shall inform Landlord of all combinations on locks, safes and vaults, if any. Tenant shall at such time remove all of its personal property and signage therefrom and all Alterations as required by <u>Section 20.1(e)</u>. Tenant shall repair any damage to the Demised Premises caused by such removal, and any and all such property not so removed shall, at Landlord's option, become the exclusive property of Landlord or be disposed of by Landlord, at Tenant's cost and expense, without further notice to or demand upon Tenant. All property of Tenant not removed within thirty (30) days following the surrender of the Demised Premises to Landlord shall be deemed abandoned. Tenant

shall reimburse Landlord within ten (10) days following delivery of a reasonably detailed statement, for any expenses incurred by Landlord with respect to removal or disposal of abandoned property and with respect to repairing any damage to the Demised Premises caused by Tenant vacating the Demised Premises.

Section 21.18 <u>Holding Over</u>. In the event Tenant remains in possession of the Demised Premises after expiration of this Lease with Landlord's written consent but without the execution of a new lease, Tenant shall become a month-to-month tenant at the same Basic Rent and Additional Rent payable during the month immediately prior to the Expiration Date, and terminable on thirty (30) days' advance notice by either Party. In the event that Tenant remains in possession of the Demised Premises without Landlord's consent, it shall be deemed to be occupying the Demised Premises as a tenant at sufferance, subject to all the provisions, conditions and obligations of this Lease insofar as the same can be applicable to a month-to-month tenancy, except that the Basic Rent shall be escalated to one hundred fifty percent (150%) of the thencurrent Basic Rent for the Demised Premises and one hundred percent (100%) of the Additional Rent. Thereafter, and Landlord may seek, in accordance with applicable Laws, to regain possession of the Demised Premises.

Section 21.19 <u>Lien Waivers</u>. To the extent permissible by applicable Laws and with no representation by Landlord regarding the legal efficacy thereof, Landlord shall waive any statutory landlord's lien and any attachment for rent on the trade fixtures that Landlord may have or may hereafter acquire, including any and all rights granted under any present or future Laws to levy or distrain for rent (whether in arrears or in advance) against any fixtures, equipment, and other personal property of Tenant on the Demised Premises. Landlord agrees to execute and deliver, promptly upon Tenant's request, therefor at any time or times hereafter any reasonable instruments evidencing the foregoing waiver.

Section 21.20 <u>Authority</u>. Each Party warrants that it is authorized to enter into the Lease, that the person signing on its behalf is duly authorized to execute the Lease, and that no other signatures are necessary.

Section 21.21 <u>Landlord Approvals</u>. Any approval by Landlord or Landlord's architects and engineers of any of Tenant's drawings, plans and specifications which are prepared in connection with any construction of improvements respecting the Demised Premises shall not in any way be construed or operate to bind Landlord or to constitute a representation or warranty of Landlord as to the adequacy or sufficiency of such drawings, plans and specifications, or the improvements to which they relate, for any reason, purpose or condition, but such approval shall merely be the consent of Landlord, as may be required hereunder, in connection with Tenant's construction of improvements relating to the Demised Premises in accordance with such drawings, plans and specifications.

Section 21.22 <u>Survival</u>. All obligations (together with interest or money obligations at the Default Rate of Interest) accruing prior to expiration of the Term shall survive the expiration or other termination of this Lease.

Section 21.23 <u>Attorneys' Fees</u>. In the event of any litigation or judicial action in connection with this Lease or the enforcement thereof, the prevailing party in any such litigation or judicial action shall be entitled to recover all costs and expenses of any such judicial action or litigation (including, but not limited to, reasonable attorneys' fees and paralegals' fees) from the other party.

Section 21.24 <u>Landlord's Limited Liability</u>. Tenant agrees to look solely to Landlord's interest in the Demised Premises for recovery of any judgment from Landlord, including the rent account and any insurance or condemnation proceeds received, it being agreed that Landlord (and if Landlord is a partnership, its partners, whether general or limited, and if Landlord is a corporation, its directors, officers or shareholders) shall never be personally liable for any personal judgment or deficiency decree or judgment against it.

Section 21.25 <u>Broker</u>. Landlord and Tenant each represents that it has not dealt with a broker, salesman or other party in connection with this Lease, except for Jones Lang LaSalle, Inc., representing Tenant (the "<u>Broker</u>"), which Broker shall be paid by Landlord pursuant to separate written agreements. Landlord shall indemnify and hold Tenant harmless from and against any and all commissions, fees and expenses and claims therefor by any other broker, salesman or other party in connection with or arising out of Landlord's action in entering into this Lease; Tenant shall indemnify and hold Landlord harmless from and against any and all commissions, fees and expenses and all claims therefor by any other broker, salesman or other party in connection with or arising out of Tenant's action in entering into this Lease.

Section 21.26 <u>Governing Law</u>. This Lease shall be governed by the Laws of the State of Kansas, without regard to conflict of laws principles. All covenants, conditions and agreements of Tenant arising hereunder shall be performable in the county wherein the Demised Premises are located. Any suit arising from or relating to this Lease shall be brought in the county wherein the Demised Premises are located, and the Parties hereto waive the right to be sued elsewhere.

Section 21.27 <u>Time is of the Essence</u>. Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.

Section 21.28 <u>Prohibited Persons and Transactions</u>. Each Party represents and warrants to the other that it is not, and shall not during the Term become, a person or entity with whom the other Party is restricted from doing business under the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, H.R. 3162, Public Law 107-56, as amended (commonly known as the "<u>USA Patriot Act</u>") and Executive Order Number 13224 on Terrorism Financing, effective September 24, 2001 and regulations promulgated pursuant thereto, as amended, including, without limitation, persons and entities named on the Office of Foreign Asset Control Specially Designated Nationals and Blocked Persons List (collectively, "<u>Prohibited Persons</u>"). Tenant represents and warrants that Tenant is not currently conducting any business or engaged in any transactions or dealings, or otherwise associated with, any Prohibited Persons in connection with the use or occupancy of the Demised Premises.

Section 21.29 Consequential Damages. Notwithstanding any other provisions of this Lease to the contrary, in no event shall Landlord or Tenant be liable for punitive or consequential damages in connection with this Lease.

Section 21.30 <u>Counterpart Execution</u>; <u>Electronic Signatures</u>. This Lease may be executed in counterparts, which together shall constitute a single instrument. Counterparts may be delivered via facsimile, electronic mail (including .pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, the Uniform Electronic Transaction Act or other applicable Law) or other agreed upon transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

Section 21.31 <u>Title Policy</u>. As of the date hereof, Landlord has delivered, and Tenant acknowledges receipt of, a copy of the title commitment bearing Commitment Number T-31952 issued by Chicago Title Insurance Company, dated January 27, 2025. As of the Commencement Date, Landlord shall obtain at Landlord's sole cost and expense a leasehold title insurance policy with extended coverage over Tenant's interest in the Demised Premises equal to the Basic Rent payable for the Term from February 11, 2025 which shall insure the priority of Tenant's leasehold against any claims arising from anything other than the Permitted Encumbrances listed in such policy.

Section 21.32 Confidentiality. Landlord and Tenant acknowledge that the terms, including without limitation, the economic terms of this Lease, including any amendments thereto, which includes, without limitation, the existence of Incentives, Basic Rent, purchase options, expansion options and other terms, constitute information which is either non-public, confidential or proprietary, or a combination thereof. Such information, in whole or in part, is hereinafter referred to as the "Confidential Information". Landlord and Tenant hereby agree that the Confidential Information will be kept confidential and will not, without the prior written consent of the other Party (the "Non-Disclosing Party"), which consent may be withheld at Non-Disclosing Party's sole discretion, be disclosed by the party desiring to disclose such Confidential Information (the "Disclosing Party"), in any manner whatsoever, in whole or in part. Except as herein provided, each of Landlord and Tenant agrees to transmit the Confidential Information only to its officers, directors, employees and authorized agents, lenders, and any title insurer of and investors in the Demised Premises or this Lease (collectively, the "Representatives"), all on a need to know basis or as otherwise required by applicable Laws and provided such Representatives agree, prior to receiving any Confidential Information, to be bound by the terms of this paragraph. In no event, without Non-Disclosing Party's express written approval which may be withheld in Non-Disclosing Party's sole discretion, shall Disclosing Party share information related to the building design, physical characteristics (other than building square footage and matters included on an ALTA survey), security provisions and similar information, except as is necessary to complete construction and upon such completion shall request the return of all such information from its Representatives. Each of Landlord and Tenant shall be responsible for any breach of this paragraph by any of its Representatives (including without limitation, Representatives who, subsequent to the first date of disclosure of Confidential Information, become former Representatives) or by any other party receiving Confidential Information from or through a Disclosing Party. A breach of this paragraph by Disclosing Party shall be deemed a default on the

part of Disclosing Party and shall entitle Non-Disclosing Party to pursue all remedies available at law or in equity, including injunctive relief.

Section 21.33 Restrictions on Transfer.

- (a) Notwithstanding anything to the contrary in this Lease, Landlord hereby agrees not to transfer its interest in the Demised Premises or assign all of its rights in the Lease to a transferee or assignee that is a person or entity that is: (i) on the most current "List of Parties Excluded from Federal Procurement and Non-procurement Programs" published at https://www.sam.gov/SAM/pages/public/index.jsf, as such list may be updated from time to time or supplemented by the United States and/or (ii) a country listed in a Country Reports on Terrorism available at https://www.state.gov/country-reports-on-terrorism-2/. In addition, Landlord shall seek the consent of Tenant, and such consent shall not be unreasonably withheld, conditioned or delayed, if the transferee or assignee is a non-U.S. entity, poses a security risk.
- If the Improvements or the Demised Premises is sold or transferred, voluntarily or (b) involuntarily, Landlord's lease obligations and liabilities accruing after the transfer shall be the sole responsibility of the new owner provided that the new owner has expressly assumed Landlord's obligations hereunder. Landlord shall provide Tenant with written notice within two (2) days after such sale or transfer ("Transfer Notice"). The Transfer Notice shall provide the legal name of the purchaser or transferee, as applicable, addresses for notice and wiring instructions for all future Rent payments hereunder. To the extent Landlord does not provide timely notice of such sale or transfer, Tenant shall have no obligation to deliver Rent payments, other Lease payments and legal notices to the acquiring entity, and Tenant shall not be liable for any claims, demands, losses, damages, costs, expenses, liabilities, assessments, fines, penalties, charges, administrative and judicial proceedings and orders, judgments, causes of action, defects in title, remedial action requirements and/or enforcement actions of any kind (including, without limitation, reasonable attorney's fees and costs) (collectively, "Claims") directly or indirectly arising out of or attributable to, in whole or in part, Tenant's failure to deliver such Rent payment until such Transfer Notice is received (and Tenant shall then be liable for all such Rent and other obligations due from the date of Tenant's receipt of the Transfer Notice). In the event of a sale by Landlord (selling entity) to another party (successor Landlord or purchasing entity), the selling entity agrees to hold all Rent payments received in trust for payment to the purchasing entity, and both the selling entity and the purchasing entity will indemnify and protect, defend, and hold harmless, Tenant and its officers, directors, employees, agents, representatives and contractors from and against any and all such Claims.

Section 21.34 <u>No Exclusives Apply</u>. Unless Tenant consents, which consent shall not be unreasonably withheld, conditioned or delayed, Landlord shall not grant any exclusives to third parties that encumber Tenant's rights under this Lease. Tenant may invite food trucks or other temporary operations within the Land as are consistent with such consented exclusives (if any) and with applicable Laws.

Section 21.35 <u>Additional Representations and Warranties</u>. Landlord represents and warrants to Tenant that (i) no further approvals or consents are required and Landlord has full right and authority to lease the Demised Premises upon the terms and conditions set forth in this Lease; (iii) the Demised Premises is not subject to a ground lease and the lien of any deed of trust, mortgage or other similar encumbering instrument which is not subordinated to this Lease, unless Tenant has received a commercially reasonable non-disturbance agreement from the holder of such lien and ground lease; and (iv) Landlord has not received notice of condemnation relating to all or any portion of the Land from the condemning authority and, to Landlord's actual knowledge, the Land is not subject to condemnation. This <u>Section 21.35</u> shall be in addition to any other warranties, express or implied, by Landlord or by third parties with respect to the Demised Premises or which otherwise may be created by law.

ARTICLE 22 DEED TRANSFER OF DEMISED PREMISES AT END OF TERM/ EARLY PURCHASE OPTION

Section 22.1 Transfer of Demised Premises. Landlord and Tenant acknowledge and agree, that, as a material inducement for the Parties entering into this Lease, that Landlord will convey fee simple title in the Land and the Building to Tenant at the end of the Term, so long as Tenant is not in a monetary Event of Default and has paid all Basic Rent and Additional Rent hereunder (or cures such Event of Default and pays any outstanding Basic Rent and Additional Rent) at the time of such conveyance. Attached as Exhibit G hereto is a [general/special] warranty deed (the "Deed") to be executed by Landlord within thirty (30) days prior to the end of the Term. In order to protect Tenant's rights set forth in this Article 22, concurrently with the execution of this Lease, Landlord and Tenant will execute an option to purchase the Demised Premises (the "Option"), a copy of which is attached hereto as Exhibit H, setting forth Tenant's rights and Landlord's obligations hereunder. The option shall be recorded in the land records of Pittsburg, Kansas within five (5) days after the execution of this Lease.

Section 22.2 Right to Early Purchase. At any time after the end of the second Lease Year and prior to the beginning of the eighth Lease Year, Tenant shall have the right to purchase the Demised Premises by delivering written notice of its intent to purchase (the "Tenant Option Exercise Notice") to Landlord. The purchase price shall be equal to the remaining amount of Basic Rent due for the balance of the Term, plus an amount equal to twenty-five percent (25%) of such remainder (the "Purchase Price"). The Tenant Option Exercise Notice must specify a closing date to occur prior to the then current Expiration Date set forth in this Lease and after the time for determination of the Purchase Price using the methodology above. Closing and settlement shall be at a title company designated by the Tenant on the date specified in the Tenant Option Exercise Notice or as reasonably close to that date as possible, with time being of the essence. All closing costs shall be apportioned based on local custom. At closing, Landlord shall deed the Demised Premises to Tenant.

[signatures on next page]

IN WITNESS WHEREOF, each of the Parties hereto has caused this Lease to be duly executed as of the day and year first above written.

LANDLORD:

CITY OF PITTSBURG, KS a Municipal Corporation

a Delaware limited liability company

Title: President

Signature Page to Lease

EXHIBIT A

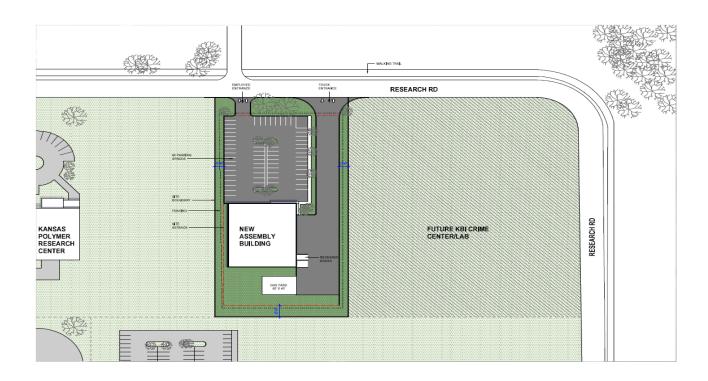
Legal Description of the Land

A parcel of land in the Pittsburg Research and Development Park Addition, Pittsburg, Crawford County, Kansas

Beginning at the Northeast corner of Lot 2, thence S 2° 6' 27" E a distance of 477.39 feet to the SE corner of said Lot 2, thence S 87° 53' 33" W along South line of said Lot a distance of 236.61 feet, thence N 2° 6' 27" W a distance of 477.79 feet to the North line of said lot, thence N 87° 59' 18" E along North line of said lot a distance of 236.61 feet to point of beginning.

EXHIBIT A-2

Plan of Demised Premises



1 ARCH. SITE PLAN

EXHIBIT B

Work Agreements⁴

This Work Agreement ("Work Agreement") is made and entered into by and between CITY OF PITTSBURG, KANSAS ("Landlord"), a charter city organized under the laws of the State of Kansas, and EAGLEPICHER TECHNOLOGIES, LLC, a Delaware limited liability company ("Tenant") in connection with the Lease dated July 8th, 2025 between Landlord and Tenant ("Lease") to which this Work Agreement is attached.

The promises, covenants, agreements and declarations made and set forth herein are intended to and shall have the same force and effect as if set forth in the body of the Lease. To the extent that the provisions of this Work Agreement are inconsistent with the terms and conditions of the Lease, the terms hereof shall control. Unless otherwise defined herein, all capitalized terms shall have the definition given thereto in the Lease.

- 1. <u>Definitions</u>. As used in this Work Agreement and in the Lease, the following terms shall have the meaning as defined herein. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed them in the Lease.
 - (a) "50% Site and Structural Improvements Drawings" including at a minimum: architectural phasing plans;; preliminary building, parking and sidewalk layout; site utility drawings, including relocation and extension of existing utilities; proposed location of new water and sewer distribution lines; construction limit lines; preliminary grading and drainage; construction fencing; footing and foundation plans with preliminary footing size; preliminary structural framing layout; architectural site plans; dimensioned floor and roof plans; building elevations and large scale elevations; building sections and wall sections; preliminary elevator and stair plans and details; preliminary underground plumbing layout including details (coordinated with civil connections); preliminary electrical site plan; preliminary underground power plan; preliminary floor plan layout and building elevations; preliminary furniture layout; preliminary reflected ceiling plans; preliminary door and finish schedules; HVAC system design and narrative; preliminary plumbing design and narrative; underground plumbing drawings; preliminary power plans; preliminary lighting plans; and preliminary one line diagrams; and conceptual secure area design requirements and equipment selection.
 - (b) "95% Site and Structural Improvements Drawings" include at a minimum: building, parking and sidewalk layout including site details; existing site utility drawings including relocation and extension of existing utilities; proposed location of new water and sewer distribution lines including details; construction limit lines; final grading and drainage; construction fencing; civil specifications; footing and foundation plans with final sizing and layout and details; structural framing final layout and details; tilt wall reinforcing drawings and details; structural specifications; code analysis and life safety drawings;

Exhibit B page 1

⁴ To be updated based on further discussions between the parties regarding division of work and landlord responsibilities in the interior of the facility.

dimensioned floor and roof plans; dimensioned slab plans; floor and roof details; building elevations and enlarged building elevations and details; building sections; wall sections and details; curtain wall elevations and details; exterior architectural details; progressed stair and elevator drawings and details; final underground plumbing layout including details (coordinated with civil connections); mechanical product specifications; final electrical site plan and details; final electrical underground drawings and details; electrical specifications; code analysis and life safety drawings; architectural phasing plans; final floor plan layout including enlarged plan as required and details; final furniture layout; final reflected ceiling layout and enlarged plans as required and details; final door and finish scheduled with material selections; final color boards for user review; final stair and elevator drawings and details; final interior elevations of casework; final interior elevations of restrooms, feature walls, etc.; architectural specifications; final HVAC equipment design and details; final HVAC controls and details; final plumbing design and details; final fixture schedules and load tables; final fire protection drawings; mechanical specifications; final power plan and details; final lighting plan; final one line diagrams; final telecom/data plans; final security drawings; final fire alarm drawing and electrical specifications; final secure area designs and equipment selection; and final long lead items.

- (c) "Architect" means Cromwell Architects Engineers, Inc.
- (d) "<u>Building Specifications</u>" means those building specifications set forth on <u>Exhibit B-1</u> to the Lease (as modified by the design reviews as provided for in Sections 2(b), 2(c), 3(b), 3(c) and 3(d) in this Work Agreement).
- (e) "<u>Engineers</u>" means those key engineering firms selected by Landlord and approved by Tenant for the design of the Tenant Improvements.
- (f) "General Contractor" means Branco Enterprises, the general contractor selected by Landlord and approved by Tenant to construct, and to see to the construction of, the Tenant Improvements, which general contractor shall be engaged through a guaranteed maximum price contract for the Tenant Improvements. The GC will be selected through a bid process by the City at a date after the signing of this lease.
- (g) "<u>Improvements</u>" means the Site and Structural Improvements and all other improvements, machinery, equipment, fixtures and other property, real, personal or mixed (except Tenant's personal property and trade fixtures) installed or located thereon, together with the Building based on the Building Specifications and all Tenant Improvements and with all other additions, alterations and replacements thereof.
- (h) "Improvements Drawings" means Site and Structural Improvements Drawings together with the Tenant Improvements drawings as are approved by Tenant, which shall include all architectural, mechanical/plumbing, electrical, and landscaping drawings necessary for completion of the Improvements, subject to reasonable field changes for which Tenant has received notice.
- (i) "<u>Site and Structural Improvements</u>" means that site work and those improvements as contained in the Site and Structural Improvements Drawings.

- (j) "<u>Site and Structural Improvements Drawings</u>" means the final, approved site/civil, structural, architectural envelope, plumbing/electrical underground drawings together with the permitted Site and Structural Improvements Drawings as are approved by Tenant for construction of all site work and Base Building structure, subject to reasonable field changes for which Tenant has received notice.
- (k) "<u>Tenant Improvements</u>" means all pre-occupancy tenant work, installations and improvements at or in the Demised Premises made by or on behalf of Tenant, which shall specifically include the Site and Structural Improvements and the Tenant Improvements, but shall not include the installation of Tenant's personal property and trade fixtures.
- (l) "Total Construction Costs" shall mean (i) costs of completing construction of the Tenant Improvements including, but not limited to, all permits, inspections, testing, site construction, and building construction costs; (ii) inspection, testing, and builder's risk costs (iii) costs for site work; (iv) all architect and engineering costs except to the extent that such architect costs are to be paid pursuant to the terms and conditions of a separate written agreement by and between Landlord and Tenant, if any; (v) construction and permanent loan costs associated with financing; (vi) interest incurred during construction of the Tenant Improvements, but before the Tenant commences paying Basic Rent for the Demised Premises following the Commencement Date, and (vii) costs expended in connection with the development of all space planning, architectural and engineering plans and specifications referenced herein.

2. Site Work.

- (a) On or about January 28, 2025 Landlord, Tenant, Architect and Engineers met to discuss the overall design program and finalize the Building Specifications for design. Tenant, Architect and Engineers will start Site and Structural Improvements Drawings, including, but not limited to, utility service requirements, parking requirements, loading dock requirements, gross building size, exterior design aesthetics, floor height, wall insulation requirements, floor and foundation weight requirements, and any other site requirements to be incorporated into the Site and Structural Improvements.
- (b) Tenant agrees to cause the Architect and Engineers to prepare design development drawings for the site improvements and construction-ready building pads, subdivision, grading, utilities, interior roadways and other roadway improvements, and the base building portion of the Building (the "Building") as a manufacturing facility, which shall include a loading dock area sufficient to accommodate a trash compactor and normal office building business deliveries. The site will provide a minimum of 60 full-size surface parking spaces which this number could change by 25% either up or down, but shall in no event have such number of spaces less than required by applicable Laws. Landlord caused the 50% Site and Structural Improvements Drawings to be performed in accordance with the Building Specifications by May 20, 2025 and submitted such 50% Site and Structural Improvements Drawings, having been approved by Landlord, to Tenant. Tenant shall confirm that the 50% Site and Structural Improvements Drawings are in form reviewable by Landlord consistent with such stage of the design development. Landlord shall respond with its approval or disapproval, in reasonable detail, of the 50% Site and Structural

Improvements Drawings for the preliminary Building improvements within seven (7) days after their submission to Landlord and in conjunction with any disapproval, shall be available for a meeting (which may be in person or telephonic) with Tenant within two (2) business days. Landlord and Tenant shall meet as quickly as is possible to discuss any comments or bases for disapproval, provided Landlord shall not unreasonably withhold or delay its approval to the 50% Site and Structural Improvements Drawings. Tenant shall incorporate Landlord's reasonable comments into the 50% Site and Structural Improvements Drawings, provided that Landlord shall not be required to approve any comments which are in Landlord's reasonable opinion, inconsistent with the Building Specifications or permitted Building modifications elected by Tenant. Tenant shall thereafter deliver revised drawings to Tenant for its approval within seven (7) days following receipt of Landlord's comments and the parties shall again meet expeditiously to resolve any remaining comments or bases for disapproval.

- (c) Tenant will cause the 95% Site and Structural Improvements Drawings to be performed in accordance with the Building Specifications no later than May 20, 2025 and to submit such 95% Site and Structural Improvements Drawings to Landlord. Tenant shall confirm that the 95% Site and Structural Improvements Drawings are in form reviewable by Landlord consistent with such stage of the design development. Landlord shall respond with its approval or disapproval, in reasonable detail, of the 95% Site and Structural Improvements Drawings for the preliminary Building improvements within seven (7) days after their submission to Landlord and in conjunction with any disapproval, shall be available for a meeting (which may be in person or telephonic) with Landlord within two (2) business days. Landlord and Tenant shall meet as quickly as is possible to discuss any comments or bases for disapproval, provided Landlord shall not unreasonably withhold or delay its approval to the 95% Site and Structural Improvements Drawings. Landlord shall incorporate Tenant's reasonable comments into the 95% Site and Structural Improvements Drawings, provided that Landlord shall not be required to approve any comments which are in Landlord's reasonable opinion, inconsistent with the Building Specifications or permitted Building modifications elected by Tenant. Tenant shall thereafter deliver revised drawings to Tenant for its approval within three (3) days following receipt of Tenant's comments. If Landlord delivers written comments to the 95% Site and Structural Improvements Drawings within the seven (7) day period set forth above, then Landlord and Tenant shall meet expeditiously and diligently work together in good faith until the final Site and Structural Improvements Drawings are approved by Tenant. Upon approval of the final Site and Structural Improvements Drawings, Landlord and Tenant shall sign a list of the approved Site and Structural Improvements Drawings.
- (d) Tenant shall finalize the Site and Structural Improvements Drawings as expeditiously as possible following with such process to continue until the parties agree on the final design of the site and the Building improvements. Landlord shall not unreasonably withhold or delay its approval to the Final Site and Structural Improvements Drawings.
- (e) The Site and Structural Improvements Drawings will include the site work. Landlord shall be obligated to obtain the needed approvals from the Company for any subsequent additions to the Site and Structural Improvements Drawings prior to construction related to any subsequent additions.

(f) Tenant shall ensure that the structural detail of the utilities and the mechanical, electrical and other Base Building Equipment meet all applicable Laws and the Building Specifications and Site and Structural Improvements Drawings that all of the Tenant Improvements satisfies Laws.

3. Building and Tenant Improvements Design.

- (a) All tenant work, installations and improvements in and to the Demised Premises by Landlord on behalf of Tenant shall be referred to collectively as the "Tenant Improvements". The term "Tenant Improvements" shall not include Tenant's personal property. All Tenant Improvements shall be purchased and installed on a turn-key basis. Tenant shall cause Architect to commence design of layout plans and specifications for the Base Building and Tenant Improvements, which shall include without limitation a schematic construction plan showing the efficient and cost-effective design of all hardwalls and kitchen/pantry/plumbing locations, a schematic power and data plan showing special mechanical and electrical requirements (including without limitation an equipment matrix, electrical loads and designation of dedicated outlet requirements, and data and cabling requirements), and a reflected ceiling plan (collectively, "Tenant's Requirements"). Notwithstanding, Tenant shall have the right, but not the obligation, to elect to perform the design work, in whole or in part, for the Tenant Improvements, at its sole cost and expense.
- (b) Tenant shall finalize the drawings for the Tenant Improvements as expeditiously as possible following with such process to continue until the parties agree on the final design of Building, the finishes and all Tenant Improvements. Landlord shall not unreasonably withhold or delay its approval to the final Improvement Drawings.
- (c) Tenant's designation of materials and equipment in the Tenant Improvements shall be of uniformly high quality, not less than the general quality of the Building, and in accordance with governing codes and regulations, and Tenant shall not include within the Tenant Improvements any items which cannot be designed, bid, contracted for and constructed by the Anticipated Commencement Date using reasonably efficient project management practices.
- (d) If no approval or comment to a submittal is received within the applicable time period set forth above in this Section 3, such submittal shall be deemed disapproved by Tenant.

4. <u>Construction of Tenant Improvements.</u>

- (a) Upon approval of the final Site and Structural Improvements Drawings and bid package, Landlord agrees to cause the General Contractor to proceed with due diligence to complete the Site and Structural Improvements in accordance with the final approved Site and Structural Improvements Drawings and in accordance with all applicable Laws.
- (b) Upon approval of the final Improvement Drawings and bid package, Landlord agrees to require the General Contractor to proceed with due diligence to complete the Tenant Improvements in accordance with the final approved Improvements Drawings and the Building and in accordance with all applicable Laws. Tenant acknowledges that Landlord shall not be obligated to make any structural or other alterations or any additions,

improvements or decorations in or to the Demised Premises except to the extent required by the final approved Improvements Drawings, except in accordance with applicable Laws. All Tenant Improvements shall be constructed on a turn-key basis.

- (c) Landlord will provide a detailed schedule (the "Construction Schedule") illustrating the timeline for development, construction and completion of the Tenant Improvements with all major milestones, deadlines and outside dates clearly indicated ("Construction Milestones"). Landlord shall use its best efforts to meet all performance obligations by the applicable Construction Milestones. If Landlord fails to accomplish any obligation set forth in the Construction Schedule by the applicable Construction Milestones (except if such delay is solely caused by a Tenant Delay or an Unavoidable Delay), then Landlord shall authorize and direct, at Landlord's sole expense, the General Contractor and any relevant subcontractor to work at an accelerated pace utilizing such "overtime hours" as may be necessary to bring the work back into compliance with the Construction Schedule. The Construction Schedule is attached to the Lease as Exhibit B-2.
- (d) During the design and construction of the Tenant Improvements, Tenant shall deliver to Landlord information, selections, substitutions, decisions, responses, clarifications or elections reasonably requested by Landlord which are required by Landlord to proceed with the preparation of plans, specifications, Site and Structural Improvements Plans, the Improvement Drawings, ordering of materials, preparation and letting of bids for work to be performed or for performance of construction work within five (5) business days after Landlord's request.
- (e) Landlord will afford Tenant, its employees, and its representatives continuous, full, and free access during normal business hours to the Land and the Building, all materials thereon and therein, and all work being performed thereon and therein; provided, however, that in exercising such right of access, Tenant and its employees and representatives shall comply with all applicable Laws (including, but not limited to, OSHA safety regulations and standards) and shall coordinate such access with the General Contractor. Tenant shall be required to provide at least twenty-four (24) hours prior notice to the General Contractor for the purpose of coordinating Tenant's entry onto the Demised Premises with Tenant Improvements in progress. Tenant acknowledges that its ability to gain entry to the Demised Premises occasionally may be limited or restricted due to the particular stage of Tenant Improvements then in progress. Tenant shall be accompanied by a representative of Landlord except during periods in which Tenant, its employees and representatives shall be engaged in the installation of Tenant's equipment or other property as provided in the Lease. The general right of access granted to Tenant, its employees and representatives in this Section 4(e) shall include the right to inspect the Tenant Improvements. If during the course of Tenant's inspections, Tenant shall discover that the Tenant Improvements have not been performed in a good and workmanlike manner, are inconsistent with all applicable Laws, the Building Specifications, the Site and Structural Improvements Design or the other Improvements Drawings, Tenant shall notify Landlord in writing of such inconsistency. Landlord shall promptly remedy such inconsistency at Landlord's sole cost and expense. Any delay caused by such noncompliance shall not constitute a Tenant Delay. Tenant's right to inspect and object with respect to the Tenant Improvements as set forth herein shall not relieve Landlord of the responsibility for proper and adequate design

and construction of the Site and Structural Improvements Design and the Building and TI Package in a good and workmanlike manner, in conformance with Laws, the Building Specifications, and the Site and Structural Improvements Design and the Building and TI Package.

- (f) Landlord represents and warrants that Landlord is fully competent in and can fully perform the development of the Tenant Improvements. Tenant shall have the right to remove any employee, agent, or representative of Landlord or Landlord's construction team to the extent that Tenant believes that such person poses a danger to the timely completion of the Tenant Improvements or Tenant's employees or representatives or who act or behave in a manner inconsistent with good management practices, harmonious relations or Tenant's security as reasonably determined by Tenant, and Landlord shall replace such person so removed with another reasonably satisfactory to Tenant.
- (g) Landlord shall obtain from the General Contractor, and Landlord shall use its reasonable efforts to obtain from the Architect and any electrical, mechanical or structural engineer providing services for the design or construction of the Tenant Improvements, warranties and guarantees, in a form acceptable to Landlord, in Landlord's reasonable discretion, as to the sufficiency and adequacy of the construction of the Tenant Improvements and the Base Building Equipment. Landlord shall obtain from the Architect certificates, in a form acceptable to Landlord, in Landlord's reasonable discretion, as to the sufficiency and adequacy of the design of the Tenant Improvements and the Base Building Equipment.
- (h) To the extent that Tenant's approval or consent is required or contemplated hereunder, approval by Tenant shall (a) be non-technical approval of design, materials and equipment, (b) not be deemed to mean approval of structural capacity of the Building or the Base Building Equipment, size of ducts and piping, adequacy of electrical wiring, system/equipment capacities and, without limitation, other technical matters, (c) not relieve Landlord of responsibility for proper and adequate design of the Building or construction of the Building, and (d) not be deemed approval by Tenant of any extension of the period in which Landlord is to Substantially Complete construction of the Building as provided in the Lease. Tenant shall, however, promptly notify Landlord of any defects or problems in the Building Specifications or the Improvements Drawings to the extent that Tenant has actual knowledge thereof. Landlord shall ensure that the structural detail of the utilities and the mechanical, electrical and other Base Building Equipment meet all applicable Laws and the Building Specifications and the Improvements Drawings.
- (i) Except as otherwise provided herein, neither the exercise nor the failure to exercise by Tenant or its representatives of any right afforded Tenant under this Work Agreement (including specifically, but without limitation, the exercise or failure to exercise of a right to review, comment upon, approve or disapprove documents, plans, specifications, drawings or other matters), or the performance by Landlord or the failure by Tenant to insist upon the performance by Landlord of any obligation imposed upon Landlord under this Work Agreement, shall (a) impose upon Tenant, or be deemed to be an assumption by Tenant, of any obligation or liability with respect to the financing, construction, leasing, maintenance, management, ownership, operation, service or insurance of the

Improvements or the design of the Building, or (b) constitute or be deemed to constitute acquiescence by Tenant to any act or failure to act on the part of Landlord which is in conflict with any provision of this Work Agreement.

5. <u>Authorized Representative/Construction Meetings.</u>

- Tenant designates Steve Westfall ("Tenant's Authorized Representative") as the person authorized to coordinate with Landlord all plans, drawings, Change Orders and approvals or minor adjustments to the plans and drawings that do not increase Total Construction Costs or affect the Construction Schedule and details of Change Orders. Tenant designates Steve Westfall or his or her designee (the "Tenant's Change Order Representative") as the only persons authorized to approve and authorize Change Orders which increase Total Construction Costs or affect the Construction Schedule for the Tenant Improvements. Any unauthorized Change Orders shall be at the Landlord's sole cost and expense. Tenant's Authorized Representative shall be generally available during business hours each day during the period for design and construction of the Tenant Improvements. Tenant's Change Order Representative need not be available to Landlord, but shall be the signatory on any Change Order. Landlord shall not be obligated to respond to or act upon any such item until such item has been initialed by Tenant's Authorized Representative. Tenant's Authorized Representative shall fully bind Tenant in connection with decisions that affect the Tenant Improvements and Tenant's Change Order Representative shall fully bind Tenant in connection with Change Orders that increase Total Construction Costs or affect the Construction Schedule, without the need for Landlord to make any inquiry with respect to authority. If there is more than one Tenant's Authorized Representative, then either may act for Tenant.
- (b) During the period prior to the Commencement Date, Landlord will provide all reasonable cooperation to keep Tenant informed as to the material aspects pertaining to the design, construction, use, maintenance, operation, service, or insurance of the Tenant Improvements. Accordingly, upon written request, Landlord will without further request furnish the Tenant's Authorized Representative with true and complete copies of all progress reports, certificates, schedule updates, and any other documents, correspondence, memoranda, records, files, data, or information as may be material and pertinent to the Demised Premises and other documents and information requested by Tenant, other than internal communications or confidential matters between Landlord and its attorneys or accountants and materials, Landlord will use all reasonable efforts to furnish the Tenant's Authorized Representative with true and complete copies of all complaints, answers, and other dispositive motions or pleadings that may hereafter be filed by or against Landlord for any matter in controversy alleging damages in excess of \$15,000 with respect to the Demised Premises, together with all court orders that may issue as a result thereof, as well as any notices from any third party to Landlord relating to the nonperformance of, or breach or default of, any applicable Laws with respect to the Demised Premises. Tenant's Authorized Representative will have the right to attend all meetings material to the interest of Tenant as may be held with respect to the Demised Premises between Landlord, the General Contractor, the Architect, and any other outside person or firm (other than Landlord's attorneys) furnishing materials, services, or labor to or with respect to the Demised Premises. Landlord agrees to make a diligent and good faith effort to provide

Tenant with reasonable prior notice of any meetings, but shall not be unreasonably obligated to attempt to schedule any such meetings to accommodate Tenant's availability or convenience. Prior to the Commencement Date, Landlord and its construction team shall meet no less frequently than twice each month to discuss and analyze the progress of construction and Landlord shall prepare and deliver to Tenant a written report (which may be in the form of the minutes of the meeting) (a "Construction Meeting Report") summarizing the material items discussed at such meeting. Each Construction Meeting Report shall specifically identify any event or condition which would constitute an Unavoidable Delay or a Tenant Delay (and any incurred costs directly resulting from a Tenant Delay) which has occurred since issuance of the immediately prior Construction Meeting Report.

(c) The Construction Milestones in <u>Exhibit B-2</u> list the critical path milestones necessary to achieve Substantial Completion of the Improvements by the Anticipated Commencement Date. At each meeting, Landlord shall track the progress of the critical path milestones and provide such update to Tenant's Authorized Representative. If the anticipated date for Substantial Completion of the Demised Premises changes to any date after January 21, 2026 Landlord and Tenant shall meet within three (3) business days to discuss the means, methods and costs to accelerate the Construction Milestones to achieve Substantial Completion by the Anticipated Commencement Date. In the event that Landlord fails to meet the Anticipated Commencement Date as more fully set forth in <u>Section 3.5</u> of the Lease, Tenant shall have the right to pursue the remedies set forth in <u>Section 3.6</u> of the Lease.

6. <u>Cost of Improvements.</u>

- (a) To the extent Landlord is able to save costs on Total Construction Costs in any manner, such savings shall be passed along to Tenant and accounted for in the Total Construction Costs, which shall reduce Basic Rent. As of the Effective Date of the Lease, the proforma anticipated Total Construction Costs is attached hereto as **Exhibit B-3**.
- (b) Until the Commencement Date, Landlord shall provide monthly updates on the actual costs of the Improvements, including infrastructure, site, Building and Tenant Improvements and a tracking to the anticipated budget attached hereto in reasonable detail. Following completion of the Improvements, Landlord shall present Tenant with a full accounting of the Total Construction Costs, which costs and expenses Tenant may verify and approve. Landlord shall permit Tenant full access to all books and records relating to all expenses included in Total Construction Costs, including contracts, change orders, side letters, side agreements, purchase orders, canceled checks, accounting records and any other information, resource or data which Tenant reasonably believes is necessary or desirable in order to verify the Total Construction Costs. Tenant shall have a period of ninety (90) days following receipt of all necessary information in order to raise any questions as to Total Construction Costs. The parties shall work diligently to reach agreement on Total Construction Costs as soon as possible following the Commencement Date (but in no event later than six (6) months following such Commencement Date) and

Landlord shall provide such final agreed-upon accounting to Tenant. The parties shall thereafter amend the Lease to adjust Basic Rent based on the agreed-upon Total Construction Costs as set forth in Section 4.1 of the Lease. Within thirty (30) days after Landlord shall have determined the actual final costs of all of the above referenced items, but in no event later than (60) days, Landlord and Tenant shall recalculate the Basic Rent due and shall credit the overpayments, if any, made by Tenant from the date of first payment of Basic Rent to the next payments therefor.

- (c) Landlord and Tenant shall act in good faith to work together to reduce the costs of construction of the Improvements. In furtherance of such effort, Landlord shall utilize an open book process and shall suggest substitutions or other ideas to reduce costs, improve efficiency, or advance the schedule, which ideas or substitutions shall be subject to the approval of Tenant. Any savings resulting therefrom shall reduce the total cost of the Improvements and shall be reflected in a reduced Basic Rent.
- 7. Long Lead Items. As used in this Work Agreement, the phrase "Long Lead Item" shall mean any item of the Tenant Improvements or material element thereof that due to circumstances beyond the reasonable control of Landlord or long lead times necessary for fabrication or delivery will not be available at the Demised Premises in time to be completed and installed prior to the Commencement Date which items are identified during the design period, provided that Landlord notifies Tenant in writing of such items within five (5) business days after learning of such unavailability. Tenant shall have five (5) business days following receipt of any notice from Landlord identifying any Long Lead Item to elect (i) to omit such Long Lead Item from the Improvements Drawings, (ii) to omit such Long Lead Item and to substitute another item therefor which can be promptly fabricated and delivered, or (iii) to require such Long Lead Item to be installed when delivered. In order to assist Tenant in identifying a qualified substitute item, Landlord shall promptly identify for Tenant after the time of submittal by Tenant of a proposed substitution, the estimated delay and any related costs or savings that will be caused by the substitution. Landlord and Tenant shall cooperate to rework promptly the Building Specifications, Tenant's Requirements or other specifications (and other items, if necessary) if any such substitution is elected by Tenant. Any net savings or additional costs resulting from the omission or substitution of Long Lead Items shall be credited or charged to Tenant accordingly through Total Construction Costs. In no event shall the Commencement Date be extended due to a delay in the completion and installation of the Long Lead Item or arising from Tenant's election to retain a Long Lead Item. Landlord shall not be liable for any losses, claims or damages arising due to delays in the delivery of Long Lead Items to the Demised Premises. In all events, Landlord agrees to perform and complete all of the Tenant Improvements as promptly as delivery of Long Lead Items permit.
- 8. <u>Change Orders.</u> Any and all changes to the Site and Structural Improvements Plans or the Building and TI Package requested by Tenant ("<u>Change Orders</u>") shall at the option of Tenant either (i) be payable by Tenant to Landlord within thirty (30) days following Tenant's receipt of a substantiated invoice therefor, or (ii) be added or subtracted from Total Construction Costs, unless otherwise mutually agreed by Landlord and Tenant. All Change Orders shall specify the following:
 - (a) The change in the work;

- (b) The price agreed upon for such change;
- (c) The time for the completion of the change;
- (d) Whether a change will extend the time for completion of the Tenant Improvements; and
- (e) The planned adjustment to Total Construction Costs, if any.

All Change Orders must be in writing, signed by Tenant's Change Order Representative and approved in writing by Landlord, which approval (i) shall not be unreasonably withheld, conditioned or delayed, and (ii) shall specify the impact the subject Change Order will have on the Construction Milestones, the Construction Schedule, and Substantial Completion, as the case may be. If Tenant does not rescind Tenant's request for the Change Order upon receipt of Landlord's approval issued in accordance with this paragraph, and such Change order impacts the Construction Milestones, the Construction Schedule or Substantial Completion, then Landlord and Tenant shall amend the same upon terms mutually agreed upon in a signed writing by Landlord and Tenant.

- 9. <u>Tenant Delays</u>. Landlord shall not be responsible for actual delays in completion of the Tenant Improvements due to Tenant's unreasonable, negligent or intentional interference with Landlord's performance of the Improvements that results in an actual delay of Substantial Completion, which following the notices as described below shall be a "Tenant Delay". In the event of any act of Tenant that may cause a Tenant Delay, Landlord shall notify Tenant in writing of Tenant's interference and provide Tenant with two (2) business days to cease the act(s) causing the interference and, to the extent that Tenant continues with such interference following such two (2) business-day period, each such additional day of Tenant interference shall be a day of Tenant Delay. In addition to the definition set forth above, in the event that Tenant (a) fails to respond to inquiries pursuant to Section 4(d) of this Work Agreement for five (5) business days and (b) if any such responses are fundamental to the critical path schedule, as communicated by Landlord to Tenant in writing, then, provided that Landlord has notified Tenant in writing of such failure to respond and provided Tenant with two (2) business days to respond and to the extent that Tenant does not in fact respond following such two (2) business-day period, each such additional day shall also be a Tenant Delay. Landlord must notify Tenant of each event that constitutes a Tenant Delay promptly upon the occurrence thereof, and the Tenant Delay shall only arise following such notice, provided, that such event(s) is(are) the sole source of the delay in Substantial Completion and provided that there are no other events of delay in the completion of the Tenant Improvements caused by Landlord occurring at such time. In all events, Landlord and Tenant shall use reasonable efforts to mitigate the impact of any Tenant Delay (using reasonably efficient project management practices), with the goal of achieving Substantial Completion of the Tenant Improvements on or before the Anticipated Commencement Date, notwithstanding such Tenant Delays.
- 10. <u>Completion of the Work and Commencement Date</u>. "<u>Substantial Completion</u>" or "<u>Substantially Completed</u>" shall mean, that date when (i) all Improvements to be constructed or installed by Landlord pursuant to the Lease are completed (excepting Punch List items which shall be completed within thirty (30) days following Substantial Completion), so as to enable Tenant to move in and install its furniture, fixtures, machinery and equipment to conduct normal business operations, (ii) Tenant, its employees, agents, customers and invitees have ready access to the

Building, parking areas and the Demised Premises through egress/ingress, lobbies, entranceways and hallways, (iii) all building fire alarms, fire sprinklers, smoke detectors, exit lights, life safety equipment and other building code requirements are installed and operational, and (iv) a temporary, final or other certificate of occupancy (or its equivalent) has been issued by the appropriate governing authority for all finished portions of the Building sufficient to permit Tenant to occupy for its intended use.

11. Miscellaneous.

- (a) Landlord and Tenant agree that any and all notices, requests or other communications with respect to the Tenant Improvements shall be in writing, or if oral, shall be immediately confirmed in writing. Landlord shall have no liability for any portion of the Tenant Improvements not performed in accordance with any communication by Tenant which is not made in accordance with this paragraph. Tenant shall communicate and deal only with Landlord and the General Contractor's designated personnel in connection with the performance and inspection of the Tenant Improvements, and shall not issue directions or otherwise communicate with any subcontractors or material suppliers or any of General Contractor's non-designated personnel.
- (b) Landlord shall notify Tenant in writing as soon as the Demised Premises are Substantially Completed. It is understood that a representative of Tenant and a representative of Landlord shall then conduct a walk-through of the Demised Premises prior to delivery of possession to Tenant, and will prepare a punch-list (the "Punch List") of those items of the Tenant Improvements which are incorrect or incomplete, which items Landlord shall complete, repair or correct within thirty 30) days after Substantial Completion, subject to Long Lead items, Unavoidable Delays and Tenant Delays. Other than warranty items as provided in Section 3.10 of the Lease, Landlord shall not be obligated to perform any work not set forth on the Punch List.
- (c) Landlord shall use due diligence to complete the Tenant Improvements by the Anticipated Commencement Date, but shall have no liability to Tenant hereunder if prevented from doing so despite commercially reasonable efforts by reason of any (a) strike, lock-out or other labor troubles, (b) inability to procure materials that arises during the construction period that was not occurring during the design period, including an embargo on trade or other commercial activities, (c) governmental restrictions or limitations on construction affecting the Property, (d) orders or directives of any legislative, administrative or judicial body or any governmental department (e.g., building moratorium) specifically affecting the Property, (e) epidemics or pandemics which require cessation of construction activities applicable to the Property, (f) failure or shortage of electrical power, gas, water, fuel oil, or other utility or service, despite commercially reasonable efforts to obtain same, (g) acts of the public enemy, riot, war, insurrection or other national, State or local declarations or proclamations establishing conditions of City, County, State or National emergency that directly impact construction or delivery of materials, (h) accident, flood, fire or other casualty, or (i) unusually inclement weather, (collectively, "Unavoidable Delays"). Landlord must notify Tenant of each event that constitutes an Unavoidable Delay promptly upon the occurrence thereof, which notice shall include the anticipated impact to the schedule, and the Unavoidable Delay shall only arise

following such notice, provided, that such event(s) is(are) the sole source of the delay in Substantial Completion and there are no other events caused by Landlord occurring at such time. In such event, the Commencement Date shall be delayed for a period equaling the length of such delay, and the Expiration Date shall be determined pursuant to the provisions of Article 3 of the Lease.

- (d) Landlord shall thoroughly clean the Demised Premises, at its sole cost and expense, immediately prior to and following Tenant's move into the Demised Premises. Landlord shall run the HVAC system twenty-four (24) hours per day for three (3) consecutive days prior to the date Tenant anticipates commencing business operations to flush out new finish odors from the Demised Premises.
- (e) Tenant and Tenant's contractors, subcontractors, architects, engineers and designers shall not be charged for the use of elevators, restrooms, loading docks, parking or utilities during construction of or move into the Demised Premises.

EXHIBIT B-1

Building Specifications

Will be added when available

EXHIBIT B-2

Construction Milestone Schedule

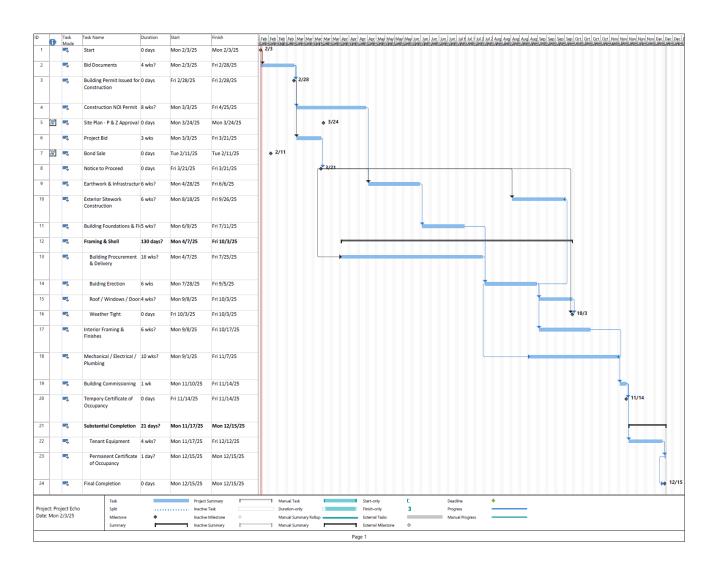


EXHIBIT B-3

Construction Proforma

Will be provided when available

EXHIBIT C

Form of Commencement Date Agreement

(To be signed within 180 days of Commencement Date per Section 3.6)

	This declaration is hereby attached to and made part of the Lease Agreement date	
	[] (the "Lease") entered into by and between [], as	
	[] (the "Lease") entered into by and between [], as "Landlord" and EaglePicher Technologies, LLC, a Delaware limited liability company, a	ıs
	"Tenant".	
	The undersigned, as Tenant, hereby confirms as of the day of, 20 t	he
	following:	
	2010 11119.	
1.	Tenant has accepted possession of the Demised Premises on, 20 a	nd is
	currently able to occupy the same.	
2.	The Commencement Date as defined in the Lease is	
3.	The Commencement Date as defined in the Lease is, 20 The obligation to commence the payment of Basic Rent for the Demised Premises comm	enced
•	or will commence on [the Commencement Date/, 20].	011004
4.	The Basic Rent Credit is \$ [If none, insert \$0].	
5.	The rentable square footage of the Building is square feet.	
5.	The Expiration Date as defined in the Lease is,	
7.	Total Construction Costs have been determined to be \$	
3.	All improvements required to be performed by Landlord pursuant to the Lease to prepare	the
•	Demised Premises for Tenant's initial occupancy have satisfactorily completed except	
	[attach additional page 2.5]	ages, if
	needed].	
9.	<u>-</u>	of.
•	pursuant to any instruments described hereinabove, if any.	
	parsuant to any monuments described hereinabove, it any.	
	LANDLORD: [
	BY:	
	NAME:	
	TITLE:	
	TITLE.	
	TENANT: EAGLEPICHER TECHNOLOGIES, LLC	
	ILIMATI. ENGLEI TEHEN I ECHTOLOGIES, LEC	
	BY:	
	NAME:	
	TITLE:	
	111 DE	

Exhibit C - page 1

Exhibit D - page 1

EXHIBIT E

Guaranty

THIS GUARANTY is made this 11th day of February, 2025, by TUTHILL CORPORATION, a Delaware corporation having an address at 8500 South Madison Street, Burr Ridge, Illinois 60527 ("Guarantor"), to CITY OF PITTSBURG, KANSAS, having an address at 201 West 4th Street, Pittsburg, Kansas 66762 (the "City").

Reference is made to that certain Development and Funding Agreement (the "Development Agreement"), by and between the City and EaglePicher Technologies, LLC, a Delaware limited liability company and indirect, wholly-owned subsidiary of Guarantor (the "Company") and the related Lease Agreement, by and between the City, as lessor, and the Company, as lessee, with respect to the New Facility (as defined in the Development Agreement) (the "Lease"). Capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Development Agreement and the Lease.

WITNESSETH:

WHEREAS, it is the intention of the parties hereto that Guarantor guaranties the performance by Company of all of the terms, covenants, conditions, obligations and agreements contained in the Development Agreement and Lease on the part of Company to be performed thereunder (collectively, the "Covenants") on the terms and conditions set forth in this Guaranty.

NOW, THEREFORE, Guarantor agrees with City as follows:

Guarantor guaranties to City the prompt payment when due of the amounts payable by Company under the Development Agreement and the Lease, and full and faithful performance and observance of all of the other Covenants; and to effectuate that guaranty, Guarantor covenants to City that if (a) default or breach shall at any time be made by Company in the Covenants, and (b) notice of any such default or breach shall have been given by City to Company and Company shall not have cured such default or breach after the expiration of applicable notice and grace periods, if any (except that during any period that Company is a debtor in any federal or state insolvency proceeding, the foregoing clause (b) shall be inapplicable as to Company and, instead, City will provide the requisite notices to Guarantor and the cure periods will be available to Guarantor in order to provide Guarantor with an opportunity to effectuate a cure within the specified cure period), then, promptly after written demand is made by City to Guarantor for performance by Guarantor of its obligations herein, Guarantor shall well and truly perform (or cause to be performed) the Covenants, and pay (or cause to be paid) said amounts that may remain due thereon to City, subject in all cases to all defenses, claims, counterclaims and cross-claims available to Company, except for any defense, claim, counterclaim or cross-claim which may be available to Company due to any federal or state bankruptcy or insolvency filing by Company. This Guaranty is a guaranty of payment, not collection.

- 2. The liability of Guarantor hereunder shall not be reduced or discharged, in whole or in part, as a result of the occurrence of any of the following:
- (a) any amendment, modification or extension of the Development Agreement or Lease or of any Covenant that is or has been agreed to in writing by Company;
- (b) any extension of time for performance by Company, whether in whole or in part, of any Covenant given by City prior to or after default under the Lease;
- (c) any waiver of or assertion or enforcement or failure or refusal to assert or enforce, in whole or in part, any Covenant, claim, cause of action, right or remedy which City may, at any time, have under the Development Agreement or the Lease or with respect to any guaranty or any security which may be held by City at any time for or under the Development Agreement or the Lease or with respect to Company, except to the extent that any of the foregoing may be asserted by Company;
- (d) the failure to give Guarantor any notice whatsoever, other than any notice that City is required to give pursuant to this Guaranty;
 - (e) the bankruptcy or insolvency of Company.
- 3. City may commence any action or proceeding based upon this Guaranty directly against Guarantor without making Company or anyone else a party defendant in such action or proceeding. Any one or more successive and/or concurrent actions may be brought hereon against Guarantor either in the same action, if any, brought against Company and/or any other party or in separate actions, as often as City, in its sole discretion, may deem advisable.
- 4. This Guaranty shall be binding upon Guarantor and its heirs, successors and assigns, and shall inure to the benefit of and may be enforced by the successors and assigns of City or by any party to whom City's interest in the Development Agreement or the Lease or any part thereof. Wherever in this Guaranty reference is made to either City or Company, the same shall be deemed to refer also to the then successor or assign of City or Company.
- 5. This Guaranty and all rights, obligations and liabilities arising hereunder shall be construed according to the substantive laws of the State of Kansas and without reference to choice of law principles.
- 6. All remedies afforded to City by reason of this Guaranty, or otherwise available at law or in equity, are separate and cumulative remedies, and it is stipulated that no one remedy, whether or not exercised by City, shall be deemed to be in exclusion of any other remedy available to City and shall not limit or prejudice any other legal or equitable remedy which City may have.
- 7. If any term, covenant, condition or provision of this Guaranty or the application thereof to any circumstance or to Guarantor shall be invalid or unenforceable to any extent, the remaining terms, covenants, conditions and provisions of this Guaranty or the application thereof to any circumstances, or to Guarantor other than those as to which any term, covenant, condition or provision is held invalid or unenforceable, shall not be affected thereby and each remaining term, covenant, condition and provision of

this Guaranty shall be valid and shall be enforceable to the fullest extent permitted by law.

8. All notices, requests, approvals or other communication under this Guaranty must be in writing (unless expressly stated otherwise in this Guaranty) and will be considered given when delivered in person or sent by electronic mail (provided that any notice sent by electronic mail must simultaneously be sent via personal delivery, overnight courier or certified mail as provided herein), one (1) Business Day after being sent by a reputable overnight courier, or three (3) Business Days after being mailed by certified mail, return receipt requested, to the parties at the addresses set forth below (or at such other address as a party may specify by notice given pursuant to this Section to the other parties hereto):

To the City: City of Pittsburg, Kansas

201 West 4th Street

Pittsburg, Kansas 66762 Attention: City Manager

To Guarantor: Tuthill Corporation

8500 S. Madison Street Burr Ridge, IL 60527

Attention: Steven E. Westfall, Chief Executive Officer

E-mail: swestfall@tuthill.com

[Signature Page Follows]

IN WITNESS WHEREOF, G	uarantor has executed this Guaranty as of the day and year
first above written.	
Witness/Attest:	TUTHILL CORPORATION, a Delaware corporation
	By: Name: Title:
Acknowledged and agreed as of the date first set forth above:	
CITY OF PITTSBURG, KANSAS	
By:	
Name: Title:	

EXHIBIT G

DEED

MUNICIPAL WARRANTY DEED

THIS INDENTURE, made this _____ day of _______, 20____, between the City of Pittsburg, a Municipal Corporation, of Crawford County, Kansas, Seller, and EAGLEPICHER TECHNOLOGIES, LLC, a Kansas limited liability company, Purchaser.

WITNESSETH: That Seller, in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration from the Purchaser, the receipt of which is hereby acknowledged by Seller, does by these presents Grant, Bargain, Sell, and Convey unto Purchaser, all the following described real estate, situated in Crawford County and State of Kansas, to-wit:

A parcel of land in the Pittsburg Research and Development Park Addition, Pittsburg, Crawford County, Kansas

Beginning at the Northeast corner of Lot 2, thence S 2° 6' 27" E a distance of 477.39 feet to the SE corner of said Lot 2, thence S 87° 53' 33" W along South line of said Lot a distance of 236.61 feet, thence N 2° 6' 27" W a distance of 477.79 feet to the North line of said lot, thence N 87° 59' 18" E along North line of said lot a distance of 236.61 feet to point of beginning.

TO HAVE AND TO HOLD THE SAME, together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in any wise appertaining, forever.

Seller for itself, its successors and assigns, does hereby covenant, promise and agree, to and with Purchaser, that at the delivery of these presents it is lawfully seized in fee

simple, that the property is free and clear of all liens and encumbrances, except easements, restrictions, special assessments and rights of way of record, if any; and Seller will warrant and forever defend the same unto Purchaser, against all persons whomsoever, claiming the same.

IN WITNESS WHEREOF, Seller has hereunto caused this Deed to be signed on its behalf by its Mayor thereunto duly authorized so to do, and to be attested by its City Clerk, and has caused its seal to be hereunto affixed the day and year last above written.

	THE CITY OF I	THE CITY OF PITTSBURG, KANSAS		
(SEAL)	By	By		
	Mayor –			
ATTESTED:				
City Clerk -				
STATE OF KANSAS)) ss:			
CRAWFORD COUNTY				
BE IT REMEMBE	RED, That on this day of			
before me, the undersigne	d, a Notary Public, in and for the Count	y and State aforesaid,		
came, May	or of the City of Pittsburg, Kansas, a M	Sunicipal corporation		
duly incorporated and exis	sting under and by virtue of the laws of	Kansas; and		
, City	Clerk of said City, who are personally	known to me to be the		
	d as such officers the within instrument			

said City and such persons duly acknowledged the execution of the same to be the act and deed of said City.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my			
Notarial Seal, the day and year last above written.			
	Notary Public		
My Appointment expires:	[To be Attached]		

EXHIBIT H

OPTION TO PURCHASE PROPERTY

Affidavit of Equitable Interest

Because the property will be owned by the City until the end of the term and the Company will be a tenant with a right to acquire the property, there needs to be a document recorded in the land deeds that reflects Tenant's right to acquire the property. Understanding the City would never do such a thing, without it, the City could sell the property to a third party and Tenant's only recourse would be monetary damages, unless there is something in the land records that tells bona fide third party purchaser's that Tenant has a priority interest in its right to acquire the property



COMMUNITY DEVELOPMENT AND HOUSING

201 West 4th Street Pittsburg KS 66762 (620) 231-4100 www.pittks.org

FAX: (620) 232-2103

TO: Daron Hall-City Manager, Tammy Nagel-City Clerk

FROM: Kim Froman-Director of Community Development and Housing

DATE: July 2, 2025

SUBJECT: Agenda Item-July 8, 2025 Resolution NO. 1295

We are requesting a resolution of the Governing Body determining that the City is considering a substantial change to an existing Rural Housing Incentive District to extend the timeframe for such district; providing for a substantial change to the district plan; and providing a notice of a public hearing to consider such actions for Silverback Landing Phase I Rural Housing Incentive District.

On September 25, 2018 the Governing Body established a Rural Housing Incentive District designated to the Silverback Landing Phase I development. At the time the district was established, the maximum term was 15 years. However, the act was subsequently amended so that now all Rural Housing Incentive Districts (now known as the reinvestment housing incentive district) would be 25 years.

The purpose of requesting this change is the result of a possible acquisition of the development into new ownership and this action is required as part of the transaction. This resolution calling for a public hearing needs to be passed and that public hearing will take place 30-70 days from the passing of this resolution.

At the public hearing the Governing Body will consider the changes to the existing RHID agreement and will receive public comments on such matters. At the conclusion of the public hearing, the Governing Body will consider the findings necessary for approving the changes to the amended district and amended district plan.

Actions are contingent on the closing of the sale and the ownership transfer of the Silverback Landing housing development.

Please place this memo and the attached Resolution 1295 on the consider agenda for the July 8, 2025 City Commission Meeting.

Thank you,

Kim Froman

Director of Community Development and Housing City of Pittsburg

(Published in the *Morning Sun* on July 31, 2025)

RESOLUTION NO. 1295

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF PITTSBURG, KANSAS, DETERMINING THAT THE CITY IS CONSIDERING A SUBSTANTIAL CHANGE TO AN EXISTING RURAL HOUSING INCENTIVE DISTRICT TO EXTEND THE TIMEFRAME FOR SUCH DISTRICT; PROVIDING FOR A SUBSTANTIAL CHANGE TO THE DISTRICT PLAN; AND PROVIDING FOR NOTICE OF A PUBLIC HEARING TO CONSIDER SUCH ACTIONS (SILVERBACK LANDING PHASE 1 RURAL HOUSING INCENTIVE DISTRICT)

WHEREAS, the Kansas Reinvestment Housing Incentive District Act, K.S.A. 12-5241 *et seq.*, as amended (the "Act") authorizes certain cities incorporated in accordance with the laws of the state of Kansas (the "State") to designate reinvestment housing incentive districts within such city; and

WHEREAS, the City of Pittsburg, Kansas (the "City") has an estimated population of less than 60,000, and therefore constitutes a city as said term is defined in the Act; and

WHEREAS, the governing body of the City (the "Governing Body") performed a Housing Needs Analysis, dated October 2015 (the "Analysis"), a copy of which is on file in the office of the City Clerk; and

WHEREAS, the Governing Body adopted Resolution No. 1178 on November 10, 2015, which made certain findings relating to the need for financial incentives relating to the construction of quality housing within the City, declared it advisable to establish a rural housing incentive district pursuant to the Act, and authorized the submission of such resolution and the Analysis to the Kansas Department of Commerce in accordance with the Act; and

WHEREAS, the Secretary of the Kansas Department of Commerce, pursuant to a letter dated February 5, 2016, authorized the City to proceed with the establishment of a rural housing incentive district (now known as a reinvestment housing incentive district) pursuant to the Act; and

WHEREAS, by Ordinance No. S-1056, passed on September 25, 2018, and published on September 28, 2018, the Governing Body established a rural housing incentive district pursuant to the Act, designated as the Silverback Landing Phase 1 Rural Housing Incentive District (the "District") and approved a plan for the District (the "District Plan"); and

WHEREAS, at the time the District was established, the maximum term for the District was not to exceed 15 years; however the Act was subsequently amended to provide that a rural housing incentive district (now known as a reinvestment housing incentive district) could be established for a maximum term of not to exceed 25 years from the date of the establishment of a district; and

WHEREAS, pursuant to the request of the proposed successor developer of the District, Silverback Landing, LLC (the "Proposed Successor Developer") the Governing Body desires to make a substantial change to the District and the District Plan to extend the maximum term to a period not to exceed 25 years from the date of establishment of the District and the District Plan; and

WHEREAS, the Governing Body is authorized by K.S.A. 12-5246(b) to make a substantial change to the District and the District Plan, subject to conducting a public hearing after notice provided in the Act.

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

Section 1. Proposed Substantial Change to the existing District. The Governing Body hereby declares its intent to make a substantial change to the existing District, which will also now be known as the Silverback Landing Phase 1 Reinvestment Housing Incentive District (the "Amended District") by extending the maximum term of the Amended District pursuant to the Act. If approved, the maximum term for the Amended District will not exceed 25 years from the date of the original establishment of the District pursuant to Ordinance No. S-1056.

The Amended District boundaries are legally described in *Exhibit A* attached hereto, and shown on the map depicting the existing parcels of land attached hereto as *Exhibit B*. A list of the names and addresses of the current owners of record of all real estate parcels within the Amended District and the existing assessed valuation of said real estate, listing the land and improvement values separately, is attached hereto as *Exhibit C*.

Section 2. Proposed Substantial Change to the existing Plan; Development Agreement. The Governing Body hereby further declares its intent to make a substantial change to the existing District Plan, which will now be known as the Amended and Restated Development Plan of the City of Pittsburg, Kansas, Silverback Landing Phase 1 Reinvestment Housing Inventive District (the "Amended District Plan") related to the extension of the maximum term of the Amended District as set forth in Section 1 hereof. A copy of the Amended District Plan shall be filed in the office of the City Clerk and be available for public inspection during normal business hours. A description of the housing and public facilities projects that are proposed to be constructed or improved in the Amended District, and the location thereof are described in Exhibit D attached hereto. A summary of the contractual assurances by the developer and the comprehensive feasibility analysis is contained in Exhibit E attached hereto.

In addition, the City entered into a development agreement, dated September 25, 2018 (the "Development Agreement") between the City and P & L Development, LLC (the "Current Developer"), relating to the District, the development thereof, and the construction and payment of improvements related thereto. The City anticipates entering into an amendment to, or consent to the assignment of, the Development Agreement to provide for the rights and responsibilities of the Current Developer to be assumed by Silverback Landing, LLC, as the Proposed Successor Developer. The City's approval or consent to the amendment to, or assignment of, the Development Agreement is a condition precedent to the approval of the substantial changes to the District and the District Plan.

Section 3. Public Hearing. Notice is hereby given that a public hearing will be held by the Governing Body of the City to consider the substantial changes to the Amended District and the Amended District Plan on August 12, 2025, at the Law Enforcement Center, located at 201 North Pine Street, Pittsburg, Kansas, 66762, with the public hearing to commence at 5:30 P.M. or as soon thereafter as the Governing Body can hear the matter. At the public hearing, the Governing Body will receive public comment on such matters, and may, after the conclusion of such public hearing, consider the findings necessary for approving the substantial changes to the Amended District and the Amended District Plan, all pursuant to the Act.

- Notice of Public Hearing. The City Clerk is hereby authorized and directed to Section 4. provide for notice of the public hearing by taking the following actions:
 - 1. A certified copy of this resolution shall be delivered to:
 - The Board of County Commissioners of Crawford County, Kansas;
 - The Board of Education of Unified School District No. 250, Crawford County, b. Kansas (Pittsburg); and
 - The Planning Commission of the City of Pittsburg, Kansas.
 - This Resolution, specifically including Exhibits A through E attached hereto, shall be 2. published at least once in the official newspaper of the City not less than one week nor more than two weeks preceding the date of the public hearing.
- Section 5. Further Action. The Mayor, City Clerk, city officials and employees, including the City Attorney, and Gilmore & Bell, P.C., are hereby further authorized and directed to take such other actions as may be appropriate or desirable to accomplish the purposes of this Resolution.
- Effective Date. This Resolution shall take effect after its adoption by the Section 6. Governing Body.

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(SEAL)	
	Dawn McNay, Mayor
ATTEST:	
Tammy Nagel, City Clerk	
	CERTIFICATE
	oregoing is a true and correct copy of the Resolution adopted, 2025, as the same appear of record in my office.
DATED: July 8, 2025	
	Tammy Nagel, City Clerk

ADOPTED by the governing body of the City of Pittsburg, Kansas, on July 8, 2025.

EXHIBIT A

LEGAL DESCRIPTION OF SILVERBACK LANDING PHASE 1 REINVESTMENT HOUSING INCENTIVE DISTRICT

Lots 1 through 31, Lots 73-96 and Lots 114-118, Silverback Landing a subdivision in the City of Pittsburg, Crawford County, Kansas.

EXHIBIT B

MAP OF SILVERBACK LANDING PHASE 1 REINVESTMENT HOUSING INCENTIVE DISTRICT



EXHIBIT C

NAMES AND ADDRESSES OF THE OWNERS OF RECORD OF ALL REAL ESTATE PARCELS WITHIN THE SILVERBACK LANDING PHASE 1 REINVESTMENT HOUSING INCENTIVE DISTRICT;

THE EXISTING ASSESSED VALUATION OF SAID REAL ESTATE PARCELS AT THE TIME OF THE ORIGINAL ESTABLISHMENT; AND THE NAMES AND ADDRESSES OF THE CURRENT AND PROPOSED SUCCESSOR DEVELOPERS

Owners of Real Property:

1901 CARNIE SMITH CT	Pittsburg, KS	66762	Dustin David and Jamie Lynn Blum
1903 CARNIE SMITH CT	Pittsburg, KS	66762	Callie Becraft
1905 CARNIE SMITH CT	Pittsburg, KS	66762	David and Rachel Irons
1907 CARNIE SMITH CT	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
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1909 CARNIE SMITH CT	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1908 CARNIE SMITH CT	Pittsburg, KS	66762	William Ryan Jones and Glendolyn Neely
1906 CARNIE SMITH CT	Pittsburg, KS	66762	Lori and Todd Ferguson and Sharon K Pruitt
1904 CARNIE SMITH CT	Pittsburg, KS	66762	Max and Madison Wilson
1902 CARNIE SMITH CT	Pittsburg, KS	66762	Judd Schossow
1829 SILVERBACK WAY	Pittsburg, KS	66762	Julie M Wilbert
1827 SILVERBACK WAY	Pittsburg, KS	66762	Miller, Richard G Revocable Trust
1825 SILVERBACK WAY	Pittsburg, KS	66762	Miller, Richard G Revocable Trust
1823 SILVERBACK WAY	Pittsburg, KS	66762	Christopher Pakitsos
1826 SILVERBACK WAY	Pittsburg, KS	66762	Susan C Bon
1824 SILVERBACK WAY	Pittsburg, KS	66762	Alsawwahah, Mohammed and Latifah Alhodiby
1822 SILVERBACK WAY	Pittsburg, KS	66762	Frazier, Kathryn Ann Living Trust
1820 SILVERBACK WAY	Pittsburg, KS	66762	Kendrick, Peter Michael; Kendrick, Bethany Ann
1818 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1816 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1814 SILVERBACK WAY	Pittsburg, KS	66762	Russel A. and Kathleen M. Murphy
1812 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1810 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1808 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1806 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1804 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1802 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1724 SILVERBACK WAY	Pittsburg, KS	66762	Christian Construction of Branson LLC
1722 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1720 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1718 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1716 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
00000 AL ORTALANI WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1606 AL ORTALANI WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1604 AL ORTALANI WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1602 AL ORTALANI WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1601 AL ORTALANI WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1603 AL ORTALANI WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1605 AL ORTALANI WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1607 AL ORTALANI WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
00000 LOU MARTIN DR	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1629 LOU MARTIN DR	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1631 LOU MARTIN DR	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1633 LOU MARTIN DR	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1635 LOU MARTIN DR	Pittsburg, KS	66762	Eric and Connie Koppelman
1637 LOU MARTIN DR	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
00000 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1815 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
	-		

1817 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
00000 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1725 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1723 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1721 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1719 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1717 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1715 SILVERBACK WAY	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1624 LOU MARTIN DR	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1626 LOU MARTIN DR	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1628 LOU MARTIN DR	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1630 LOU MARTIN DR	Pittsburg, KS	66762	P&L DEVELOPMENT LLC
1632 LOU MARTIN DR	Pittsburg, KS	66762	Kevin and Stephanie Bleil

Name and Addresses of Developers:

Current Developer*: P & L Development, LLC

14100 Belinder

Leawood, Kansas 66224

Proposed Successor Developer*: Silverback Landing, LLC

799 SW Jackson St., Suite 100

Topeka, Kansas 66603

Existing Assessed Valuation of the District at the time of original establishment:

Existing Assessed Valuation of the District: Land - \$12,216

Improvements - \$0

^{*} The current developer of the District is P&L Development, LLC. Silverback Landing, LLC is negotiating an agreement to become the successor developer of the District, and the approval of such agreement is a condition precedent to the approval of the substantial changes to the District and the District Plan.

EXHIBIT D

DESCRIPTION OF THE HOUSING AND PUBLIC FACILITIES OR PROJECTS IN THE SILVERBACK LANDING PHASE 1 REINVESTMENT HOUSING INCENTIVE DISTRICT

Housing Facilities – Phase 1

The housing facilities will consist of constructing approximately 60 single family residential homes with two to four bedrooms, two to three baths, one or two stories, and two or three car garages. These homes will have the option of a basement, and may range in size from 1,200 square feet to 3,000 square feet. There will be at least three or four floor plans, which can be varied in design to create at least eight different street elevations. A monument at the south entry to the subdivision and a public park will also be constructed.

Public Facilities – Phase 1

The public facilities will include the construction of all infrastructure improvements within the District, including water, sanitary sewer, storm water, streets, curbs, gutters, sidewalks, other utilities including but not limited to electric and fiber. These infrastructure improvements will be constructed concurrently with the project.

EXHIBIT E

SUMMARY OF THE CONTRACTUAL ASSURANCES BY THE DEVELOPER AND OF THE COMPREHENSIVE FEASIBILITY ANALYSIS

Contractual Assurances

The Governing Body of the City of Pittsburg, Kansas has entered into a development agreement with P & L Development, LLC. This agreement, as supplemented and amended, includes the project construction schedule, a description of projects to be constructed, financial obligations of the developer and financial and administrative support from the City of Pittsburg, Kansas. The City anticipates entering into an amendment to, or consent to the assignment of, the development agreement to provide for the rights and responsibilities of P & L Development, LLC to be assumed by Silverback Landing, LLC, as the proposed successor developer. The City's approval or consent to the amendment to, or assignment of, the development agreement is a condition precedent to the approval of the substantial changes to the District and the District Plan.

Feasibility Study

The Developer has conducted a study to determine whether the public benefits derived from the District will exceed the costs and that the income from the District, together with other sources of revenue provided by the Developer, would be sufficient to pay for the public improvements to be undertaken in the District. The analysis estimates the property tax revenues that will be generated from the development, less existing property taxes, to determine the revenue stream available to support the costs of the public infrastructure. The estimates indicate that the revenue realized from the project would be adequate to pay the costs of the public infrastructure.