



# COUNTY COMMISSION

Monday, June 6, 2016

5:00 PM Following Public Building Commission Meeting  
Ellis County Administrative Center – Commission Room

## Order of Business

### I. Opening

- A. Call to Order
- B. Pledge of Allegiance
- C. Clerk Calls the Roll
- D. Order of Business  
Consideration of Amendments

### II. Prior Minutes

May 16, 2016

### III. Consent Agenda

- A. Approval of Employee Status Changes as presented
- B. Approval of Refunding Warrants as presented
- C. Approval of Tax Roll Adjustments as presented
- D. Approval of Escape Tax Orders as presented
- E. Approval of Adds and Abates as presented
- F. Approval of Accounts Payable and Payroll as presented

- IV. Issues from Persons Not on the Order of Business
- V. Speed Limits in Pfeifer (Public Works Director Bill Ring) [Enclosure](#)
- VI. Fireworks (Rural Fire Director Darin Myers) [Enclosure](#)
- VII. Preliminary Overview of 2017 County Budget (County Administrator Phillip Smith-Hanes) [Enclosure](#)
- VIII. Resolution #2016-07 on Terms for Joint Planning Commission (County Administrator Phillip Smith-Hanes) [Enclosure](#)
- IX. Lease with Adams, Brown, Beran & Ball (County Administrator Phillip Smith-Hanes) [Enclosure](#)
- X. County Counselor Reports (County Counselor Bill Jeter)
- XI. County Administrator Report (County Administrator Phillip Smith-Hanes)
- XII. County Commission Reports
- XIII. Executive Session(s)
- XIV. Adjournment

**ELLIS COUNTY**  
**AGENDA ITEM COVER SHEET**  
**COMMISSION AGENDA DATE: 6-6-16**

**TOPIC:**

Speed Limits in Pfeifer

**ACTION REQUESTED:**

Authorize staff to engage the services of a consultant to conduct a speed limit study for the community of Pfeifer.

**DISCUSSION:**

A letter has been received from residents of the unincorporated community of Pfeifer in southeastern Ellis County concerning the speed limit on the main county road through the community. The residents are requesting a lowering of the speed limit as well as additional signage. Under state law, counties are authorized to change speed limits upon the basis of an engineering and traffic investigation. Ellis County has no staff in house with the qualifications to conduct such a study. Therefore, staff is requesting authorization to engage an outside consultant to conduct an engineering and traffic study in Pfeifer.

**FINANCIAL IMPACT:**

The cost of a speed study is estimated to be between \$900 and \$1,000. There is sufficient salary savings within the Road and Bridge budget to cover this cost with no additional impact.

**PRESENTED BY:**

Bill Ring, Public Works Director

**REVIEWED BY COUNTY ADMINISTRATOR:**

Yes  No  N/A

**REVIEWED BY COUNTY COUNSELOR:**

Yes  No  N/A

**ATTACHMENTS:** Letter from community members dated May 6, 2016

May 6, 2016

To: Whom it may concern

From: Concerned Residents of Pfeifer, KS

*Re: Request for action on Speed Limits in Pfeifer*

We, the concerned residents of Pfeifer, would like to request action be taken to Review and Adjust, if needed, the speed limits in the town of Pfeifer in Ellis County.

Frequently there are vehicles that exceed the posted speed limit of 30 MPH within the town. These vehicles include commercial vehicles such as large trucks. Pfeifer has several families with small children and many people who enjoy being outside. Concern of an accident involving a vehicle and pedestrian is the motivation for this request for action.

We would like the speed changed to 25 MPH with additional SLOW postings through Town. An additional reduction to 20 MPH the area adjacent to the Church and former School grounds at the center of Town would be helpful. This is due to the historical nature of the Church as a landmark; attracting frequent visitors, weddings or funerals, and family gatherings to visit and use these areas.

We are not asking for more Sherriff patrols, we believe a reduced speed limit and better posting will be effective.

Increased stopping distances are required by large trucks as well as any vehicle traveling too fast for the environment in town. This potential danger to pedestrians can be minimized with a reduction in speed.

Please consider a review of the assigned speed limit, make adjustments if needed **Before** a serious accident requires such action.

Thank you for your consideration,

Concerned Residents of Pfeifer

*See Attached Signature Page*

Ben Rutz 1704

Daren Hilger

Daren Hilger 1703 Saratov St.

Jeff Neher

Jeff Neher 1701 Saeretz

James Billinger

James Billinger 1701 Saratov

with number

1714 Saratov

Brett Woods

Brett Woods 1717 Saratov

Katelyn D. Huppert

Katelyn D. Huppert 1509 Saeretz

**ELLIS COUNTY**  
**AGENDA ITEM COVER SHEET**  
**COMMISSION AGENDA DATE: June 6<sup>th</sup>, 2016**

**TOPIC:**

Discussion on whether to allow residents in the unincorporated areas of Ellis County to discharge fireworks.

**ACTION REQUESTED:**

Approval or denial from the Commission to draft resolution allowing the discharge fireworks for the July 4<sup>th</sup> holiday.

**DISCUSSION:**

In 2015, the Ellis County Commission approved a resolution to allow residents in the unincorporated areas of Ellis County to discharge fireworks during the same dates and hours as the City of Hays. In 2015 the Ellis County Fire Department responded to two fireworks related calls.

For 2016, if the commission chooses to allow the discharge of fireworks, the City of Hays is allowing fireworks from July 2<sup>nd</sup> – 4<sup>th</sup> during the hours of 10am-11pm.

**FINANCIAL IMPACT:**

There are no financial concerns of this decision.

**PRESENTED BY:**

Darin Myers, Ellis County Fire Chief

**REVIEWED BY COUNTY ADMINISTRATOR:**

Yes       No       N/A

**REVIEWED BY COUNTY COUNSELOR:**

Yes       No       N/A

**ATTACHMENTS:**

None

**ELLIS COUNTY**  
**AGENDA ITEM COVER SHEET**  
**COMMISSION AGENDA DATE: 6-6-16**

**TOPIC:**

Preliminary Overview of 2017 County Budget

**ACTION REQUESTED:**

1. Review the preliminary budget presentation and thank department heads and elected officials for their work.
2. Provide feedback to the County Administrator on any changes desired.
3. Schedule additional Commission meetings for review of individual departmental budgets at the following times:
  - a. Thursday, June 16, at 9:00 a.m.; and
  - b. Thursday, June 23, at 9:00 a.m.
4. Direct the County Administrator to present a proposed budget to the Commission at the regular Commission meeting on July 11.

**DISCUSSION:**

On Monday, April 4, the Commission set the stage for development of a County budget for 2017. At that time, Commissioners provided direction to staff to submit proposals that reduced county spending for next year. Commissioners reviewed your own departmental budget on May 2. During that meeting, the Commission again expressed the need for budget reductions, including the possibility of cuts to staffing costs. At this time, all departments have submitted budget proposals to the County Administrator. The preliminary overview presented tonight contains a mix of proposals which reduce spending without eliminating filled positions.

**FINANCIAL IMPACT:**

Overall, this preliminary overview reflects a reduction in General Fund expenditures of \$595,405 or 3.3%. Given the level of carry-over funding anticipated to be available for 2017, it appears that this level of reductions will avoid the need for any adjustment to the County's mill levy. Additional direction from the Commission – including budget requests from outside agencies, which are scheduled to be presented next week – as well as final health insurance costs, will affect the final totals.

**PRESENTED BY:**

Phillip Smith-Hanes, County Administrator

**REVIEWED BY COUNTY ADMINISTRATOR:**

Yes  No  N/A

**REVIEWED BY COUNTY COUNSELOR:**

Yes  No  N/A

**ATTACHMENTS:** Preliminary budget overview

**ELLIS COUNTY, KANSAS**  
**Preliminary Budget Overview - General Fund Expenditures Less Dept. 97**

Acct No.	Acct Name	2015 Actual	2016 Budget	2017 Budget		
				2017 Actual	2017 Budget	
<b>Dept: 01 - APPRAISER</b>						
	Salaries	516,417	524,608	511,028	511,028	
	Contractual	53,410	59,000	59,100	59,100	reduces vacant position to 1/2 time
	Commodities	6,033	10,000	7,050	7,050	
	Capital Outlay	171	0	450	450	
	<b>Expenditure Total for Dept: 01 - APPRAISER</b>	<b>\$ 576,031</b>	<b>\$ 593,608</b>	<b>\$ 577,628</b>	<b>\$ 577,628</b>	<b>2.7%</b>
<b>Dept: 02 - ATTORNEY</b>						
	Salaries	730,099	745,519	750,566	750,566	
	Contractual	24,346	25,000	18,050	18,050	requires use of one-time funds to supplement expenses
	Commodities	8,943	9,000	9,250	9,250	
	Capital Outlay	8,029	6,000	1,200	1,200	
	<b>Expenditure Total for Dept: 02 - ATTORNEY</b>	<b>\$ 771,416</b>	<b>\$ 785,519</b>	<b>\$ 779,066</b>	<b>\$ 779,066</b>	<b>0.8%</b>
<b>Dept: 04 - COMMISSIONERS</b>						
	Salaries	109,305	111,488	112,728	112,728	
	Contractual	129,196	124,060	112,336	112,336	eliminates dues for NACo, League of Municipalities, Kansas Legislative Policy Group
	Commodities	2,727	5,000	5,845	5,845	
	<b>Expenditure Total for Dept: 04 - COMMISSIONER</b>	<b>\$ 241,227</b>	<b>\$ 240,548</b>	<b>\$ 230,909</b>	<b>\$ 230,909</b>	<b>4.0%</b>
<b>Dept: 07 - CLERK</b>						
	Salaries	286,778	295,197	295,514	295,514	
	Contractual	10,385	10,000	8,689	8,689	
	Commodities	3,033	4,000	3,400	3,400	
	Capital Outlay	36	0	0	0	
	<b>Expenditure Total for Dept: 07 - CLERK</b>	<b>\$ 300,232</b>	<b>\$ 309,197</b>	<b>\$ 307,603</b>	<b>\$ 307,603</b>	<b>0.5%</b>
<b>Dept: 10 - CORONER</b>						
	Salaries	30,096	29,690	29,684	29,684	
	Contractual	46,537	42,000	42,000	42,000	
	<b>Expenditure Total for Dept: 10 - CORONER</b>	<b>\$ 76,633</b>	<b>\$ 71,690</b>	<b>\$ 71,684</b>	<b>\$ 71,684</b>	<b>0.0%</b>
<b>Dept: 11 - COURTS</b>						
	Contractual	318,037	366,700	343,700	343,700	
	Commodities	13,919	15,700	15,900	15,900	
	Capital Outlay	11,486	0	22,800	22,800	
	<b>Expenditure Total for Dept: 11 - COURTS</b>	<b>\$ 343,442</b>	<b>\$ 382,400</b>	<b>\$ 382,400</b>	<b>\$ 382,400</b>	<b>0.0%</b>
<b>Dept: 13 - INFORMATION TECHNOLOGY</b>						
	Salaries	351,435	354,879	319,329	319,329	filling position at lower level after retirement
	Contractual	179,450	237,950	244,991	244,991	
	Commodities	39,882	34,200	28,500	28,500	
	Capital Outlay	518	0	0	0	
	001-13-1851 INTERDEPARTMENTAL BUDG	(6,144)	0	0	0	
	<b>Expenditure Total for Dept: 13 - INFORMATION</b>	<b>\$ 565,142</b>	<b>\$ 627,029</b>	<b>\$ 592,820</b>	<b>\$ 592,820</b>	<b>5.5%</b>
<b>Dept: 15 - EMERGENCY MANAGEMENT</b>						
	Salaries	86,585	90,719	53,511	53,511	
	Contractual	5,705	11,000	8,375	8,375	
	Commodities	8,886	8,500	3,600	3,600	
	Capital Outlay	64	0	0	0	
	001-15-1850 General Budget Credit	(200)	0	0	0	
	<b>Expenditure Total for Dept: 15 - EMERGENCY</b>	<b>\$ 101,040</b>	<b>\$ 110,219</b>	<b>\$ 65,486</b>	<b>\$ 65,486</b>	<b>40.6%</b>
<b>Dept: 17 - HEALTH</b>						
	Salaries	416,462	443,880	341,316	341,316	eliminating one office position after retirement, upgrading another position from part-time to full-time, providing for combined dept. head
	Contractual	27,559	34,825	34,275	34,275	
	Commodities	151,103	119,550	131,650	131,650	
	Capital Outlay	158	0	0	0	
	<b>Expenditure Total for Dept: 17 - HEALTH</b>	<b>\$ 595,283</b>	<b>\$ 598,255</b>	<b>\$ 507,241</b>	<b>\$ 507,241</b>	<b>15.2%</b>
<b>Dept: 18 - ADMINISTRATOR</b>						
	Salaries	207,508	204,540	206,224	206,224	

Contractual	75,884	77,825	56,845		reduced expense for outside professional services
Commodities	2,233	1,750	1,750		
Capital Outlay	380	0	200		
<b>Expenditure Total for Dept: 18 - ADMINISTRAT</b>	<b>\$ 286,005</b>	<b>\$ 284,115</b>	<b>\$ 265,019</b>	<b>6.7%</b>	
<b>Dept: 19 - PUBLIC WORKS</b>					
Salaries	2,263,719	2,598,683	2,515,161		eliminates one unfilled Truck Driver position
Contractual	504,181	357,450	486,483		
Commodities	1,438,854	1,669,675	1,531,942		chip seal approximately 3 fewer miles of roadway
Capital Outlay	45,277	0	0		
<b>Expenditure Total for Dept: 19 - PUBLIC WORK</b>	<b>\$ 4,252,031</b>	<b>\$ 4,625,808</b>	<b>\$ 4,533,586</b>	<b>2.0%</b>	
<b>Dept: 20 - REGISTER OF DEEDS</b>					
Salaries	166,801	171,167	178,352		change in insurance coverage
Contractual	5,853	7,425	7,425		
Commodities	6,170	6,000	6,000		
<b>Expenditure Total for Dept: 20 - REGISTER OF</b>	<b>\$ 178,824</b>	<b>\$ 184,592</b>	<b>\$ 191,777</b>	<b>-3.9%</b>	willing to contribute \$20,000 from ROD Tech Fund to General Fund
<b>Dept: 22 - SHERIFF</b>					
Salaries	1,577,455	1,775,117	1,635,868		reduced \$50,000 in OT, changes to insurance coverage
Contractual	110,401	148,075	148,075		
Commodities	114,884	126,800	126,800		
Capital Outlay	15,223	0	0		
<b>Expenditure Total for Dept: 22 - SHERIFF</b>	<b>\$ 1,817,962</b>	<b>\$ 2,049,992</b>	<b>\$ 1,910,743</b>	<b>6.8%</b>	
<b>Dept: 24 - TREASURER</b>					
Salaries	461,768	517,587	466,783		eliminates vacant position
Contractual	67,578	72,975	95,735		
Commodities	10,198	13,000	11,200		
Capital Outlay	2,516	0	0		
GENERAL BUDGET CREDIT	(3,466)	\$	0		
<b>Expenditure Total for Dept: 24 - TREASURER</b>	<b>\$ 538,593</b>	<b>\$ 603,562</b>	<b>\$ 573,718</b>	<b>4.9%</b>	
<b>Dept: 25 - NOXIOUS WEED</b>					
Salaries	148,248	149,789	151,969		
Contractual	6,220	7,025	6,790		
Commodities	847,373	778,468	752,769		
Capital Outlay	8,471	0	0		
General Budget Credit	(98,341)	0	0		
<b>Expenditure Total for Dept: 25 - NOXIOUS WEE</b>	<b>\$ 911,971</b>	<b>\$ 935,282</b>	<b>\$ 911,528</b>	<b>2.5%</b>	
<b>Dept: 28 - JUVENILE INTAKE GRANT</b>					
<b>Expenditure Total for Dept: 28 - JUVENILE INT</b>	<b>\$ 34,831</b>	<b>\$ 20,000</b>	<b>\$ 25,800</b>	<b>-29.0%</b>	
<b>Dept: 32 - ENVIRONMENTAL</b>					
Salaries	163,125	179,727	174,021		
Contractual	3,069	2,675	4,850		
Commodities	1,196	4,000	1,675		
<b>Expenditure Total for Dept: 32 - ENVIRONMEN</b>	<b>\$ 167,390</b>	<b>\$ 186,402</b>	<b>\$ 180,546</b>	<b>3.1%</b>	
<b>Dept: 33 - EMERGENCY MEDICAL SERVICE</b>					
Salaries	2,312,095	2,741,309	2,676,911		health and retirement adjustments
Contractual	137,511	141,600	141,600		
Commodities	89,236	131,000	114,100		reductions in fuel and medical supply costs
Capital Outlay	13,147	0	0		
General Budget Credit	(16,576)	0	0		
<b>Expenditure Total for Dept: 33 - EMERGENCY</b>	<b>\$ 2,585,413</b>	<b>\$ 3,013,909</b>	<b>\$ 2,932,611</b>	<b>2.7%</b>	
<b>Dept: 47 - ELECTION</b>					
Salaries	15,355	19,927	20,553		
Contractual	34,274	80,000	54,060		
Commodities	18,398	10,000	6,500		
Capital Outlay	3,174	3,000	3,000		
<b>Expenditure Total for Dept: 47 - ELECTION</b>	<b>\$ 71,200</b>	<b>\$ 112,927</b>	<b>\$ 84,113</b>	<b>25.5%</b>	
<b>Dept: 52 - FAIR BUILDING RENTALS</b>					
Salaries	0	22,521	22,521		
Contractual	0	52,914	58,434		costs transferred from budget 56
Commodities	0	4,924	4,380		
<b>Expenditure Total for Dept: 52 - FAIR BUILDIN</b>	<b>\$</b>	<b>\$ 80,359</b>	<b>\$ 85,335</b>	<b>-6.2%</b>	
<b>Dept: 53 - BUILDING &amp; GROUNDS</b>					

Salaries	121,189	164,935	173,423	
Contractual	336,344	468,400	430,750	
Commodities	41,309	39,800	52,750	
Capital Outlay	63,524	56,680	63,230	
Expenditure Total for Dept: 53 - BUILDING & C	\$ 562,366	\$ 729,815	\$ 720,153	1.3%
Dept: 54 - JAIL				
Salaries	737,709	921,521	949,252	health insurance
Contractual	578,747	350,000	379,775	
Commodities	48,881	62,425	32,650	
Capital Outlay	1,532	0	0	
Expenditure Total for Dept: 54 - JAIL	\$ 1,366,869	\$ 1,333,946	\$ 1,361,677	-2.1%
Dept: 55 - COMMUNICATION CENTER				
Contractual	98,518	115,000	103,150	
Commodities	10,841	2,000	8,000	
Expenditure Total for Dept: 55 - COMMUNICAT	\$ 109,359	\$ 117,000	\$ 111,150	5.0%
Dept: 56 - FAIR COUNTY				
Salaries	21,156	0	0	
Contractual	119,366	67,086	61,700	costs transferred to budget 52
Commodities	31,751	33,076	31,400	
Capital Outlay	3,174	0	0	
Expenditure Total for Dept: 56 - FAIR COUNTY	\$ 175,447	\$ 100,162	\$ 93,100	7.1%
Dept: 98 - NEIGHBORHOOD REVITALIZATION				
Revenue Total for Dept: 98 - NEIGHBORHOOD	\$ -	\$ -	\$ -	
Expenditure Total for Dept: 98 - NEIGHBORHO	\$ -	\$ 22,513	\$ 22,513	
Expenditure Total for Fund: 001 - COUNTY GE	\$ 16,578,707	\$ 18,118,849	\$ 17,518,206	3.3%
			\$ 600,643	

**ELLIS COUNTY**  
**AGENDA ITEM COVER SHEET**  
**COMMISSION AGENDA DATE: 6-6-16**

**TOPIC:**

Terms of Joint Planning Commission Members

**ACTION REQUESTED:**

Adopt the attached Resolution and order its publication.

**DISCUSSION:**

On September 21, 2015, the County Commission changed the membership of the Joint Planning Commission from 10 members (9+Schoenchen) to 7 members (6+Schoenchen). However, the Resolution adopted at that time did not address the terms of the members. Currently, if three members are appointed each of the next two years, there would be no appointments made in 2018. By shortening the terms of one member in each of the next two appointment cycles, the historic rotation of an equal number of appointments each year can be maintained.

**FINANCIAL IMPACT:**

There should be minimal cost to publishing the resolution in the official newspaper. This cost is included in the adopted budget. There is no cost associated with changing the terms of the Planning Commission members.

**PRESENTED BY:**

Phillip Smith-Hanes, County Administrator

**REVIEWED BY COUNTY ADMINISTRATOR:**

Yes  No  N/A

**REVIEWED BY COUNTY COUNSELOR:**

Yes  No  N/A

**ATTACHMENTS:** Resolution

**RESOLUTION R-2016-07**

**RESOLUTION OF THE BOARD OF ELLIS COUNTY COMMISSIONERS**

**WHEREAS**, the Board of County Commissioners pursuant to Resolution No. R-2015-18 changed the number of members of the Ellis County Joint Planning Commission, and

**WHEREAS**, this change in membership created a conflict with past Resolutions detailing the rotation of members, and

**WHEREAS**, the Board of County Commissioners desires that an equal number of Joint Planning Commissioners be appointed each year in a three-year rotation cycle,

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ELLIS COUNTY, KANSAS**, as follows:

1. Of the six at-large members of the Joint Planning Commission, three shall be appointed for terms beginning July 1, 2016, and three shall be appointed for terms beginning July 1, 2017;
2. Of the at-large members appointed beginning July 1, 2016, two shall serve terms ending on June 30, 2019, and one shall serve a term ending June 30, 2018;
3. Of the at-large members appointed beginning July 1, 2017, two shall serve terms ending on June 30, 2020, and one shall serve a term ending June 30, 2018;
4. Beginning July 1, 2018, the Board of County Commissioners shall appoint two at-large members to the Joint Planning Commission each year to serve a term of three years.

This resolution will take effect immediately upon publication in the official county newspaper.

Dated this 6<sup>th</sup> day of June, 2016.

BOARD OF COUNTY COMMISSIONERS

\_\_\_\_\_  
Dean F. Haselhorst, Chair

\_\_\_\_\_  
Martha L. McClelland, Commissioner

\_\_\_\_\_  
Barbara K. Wasinger, Commissioner

ATTEST:

\_\_\_\_\_  
Donna J. Maskus, County Clerk

**ELLIS COUNTY**  
**AGENDA ITEM COVER SHEET**  
**COMMISSION AGENDA DATE: 6-6-16**

**TOPIC:**

Lease with Adams, Brown, Beran & Ball

**ACTION REQUESTED:**

1. Authorize the Chair to sign the attached lease agreement.
2. Direct the County Administrator to reconcile billing for period of April 1 through present time with representatives of Adams, Brown, Beran & Ball.

**DISCUSSION:**

The accounting firm of Adams, Brown, Beran & Ball has occupied space on the second floor of the office building at 718 Main Street for many years. When the County acquired the office building and turned it into the Ellis County Administrative Center, the existing lease between the firm and Commerce Bank, dated January 26, 2004, was transferred to the County. That lease has been amended twice by action of the County Commission.

Adams, Brown, Beran & Ball has long desired to acquire the remainder of the space on the second floor, formerly occupied by other tenants. The last such tenant, AFLAC, vacated their space in March of this year. In addition, Adams, Brown, Beran & Ball desires to contract for their own janitorial services – rather than have these provided through a County contractor – due to the confidential nature of their client information. Your Commission has previously agreed to these changes, and staff has prepared the attached lease to formalize these changes.

The proposed lease completely replaces the prior lease. Staff believes this is cleaner than doing another amendment. It provides for a start date of April 1 in recognition of the fact that AFLAC vacated the space in March and Adams, Brown, Beran & Ball has had effective use of it since that time.

**FINANCIAL IMPACT:**

The proposed lease brings in less revenue than existing lease due to the credit for Adams, Brown, Beran & Ball contracting for their own janitorial service. There should be no net impact to the County budget, as this will also reduce a corresponding expense in the Buildings & Grounds budget. The rent for the increased square footage will offset the loss of AFLAC as a tenant.

**PRESENTED BY:**

Phillip Smith-Hanes, County Administrator

**REVIEWED BY COUNTY ADMINISTRATOR:**

Yes    No    N/A

**REVIEWED BY COUNTY COUNSELOR:**

Yes    No    N/A

**ATTACHMENTS:**      Proposed Lease

**COMMERCIAL REAL ESTATE LEASE**

THIS LEASE AGREEMENT is made, entered into, and effective the 1<sup>st</sup> day of April, 2016, by and between the **Board of County Commissioners of Ellis County, Kansas, a municipal corporation**, hereinafter called (“Lessor”), and **Adams, Brown, Beran and Ball, Chtd., a Kansas Corporation**, hereinafter called (“Lessee”),

WHEREAS, Lessor desires to lease to Lessee and Lessee agrees to lease from Lessor the following described real estate situated in Hays, Ellis County, Kansas, to-wit:

Unit B of the Ellis County Administrative Center Condominium, also known as the Second Floor of the Ellis County Administrative Center located at 718 Main Street, Hays, Ellis County, Kansas, consisting of 10,675.5 square feet of office space,

and

WHEREAS, in consideration of the mutual covenants, agreements and other provisions as contained herein, the parties agree as follows:

1. **Term.** The initial term shall be for a period of 5 years commencing on April 1, 2016, and terminating on March 31, 2021. Lessee shall have the right to renew said lease for two additional five year renewals by giving Lessor notice of each option to renew no later than 120 days prior to the expiration of the primary or either renewal term. Each renewal term shall be pursuant to the same terms and conditions as this Lease Agreement except for rental which will be negotiated at each renewal.

2. **Rental.** Lessee shall pay Lessor for lease of the above described property the sum of Seven Thousand Seven Hundred and Seventy-five Dollars and Seventeen Cents (\$7,775.17) monthly during the term of this lease. Payments are made in advance on the first day of each month. Said rent is calculated as follows:

10,675.5 square feet X \$11.55 per square foot = \$123,302.00 annually  
less \$2,500 per month for janitorial services = \$7,775.17 per month

Upon each five year option renewal as set forth above, the rent shall be adjusted to reflect inflation and other factors but in no event shall the rent be increased more than eight percent (8%) over the preceding term. The parties agree to enter into good faith negotiations with regard to the rental amount. All other terms and conditions of the lease agreement shall remain in effect.

3. **Real Estate Taxes.** Lessor in its discretion shall have the right to unilaterally increase the annual rental hereunder in the event of any increase in real property taxes accruing to Lessor on said building containing the leased premises hereunder which increase is caused by any tax levy or by a change in the assessed valuation of said building. Said increase in annual rental payment shall be in approximately the same proportion to said total increase in real property taxes as the total square feet of floor space contained in the leased premises hereunder bear to 10,675.5

rentable square feet of the building or a proportionate share not to exceed 10%. Lessor shall give notice to Lessee in writing of any such increase in said annual rental payment and said increase shall be effective immediately and will be applied to computing the next monthly installment of the annual rental hereunder which next becomes due after such notice is given.

4. **Insurance by Lessee.** At all times during the term of this Lease or any renewal period, Lessee shall maintain at Lessee's own cost and expense, with a responsible insurance company or companies, policies of insurance covering Lessee's trade fixtures, furniture, furnishings and equipment and leasehold improvements, providing protection to the extent of not less than eighty percent (80%) of the insurable value of the same against all casualties under standard insurance industry practices under the classification of "fire and extended coverage". Lessee shall maintain, at Lessee's own expense during the term of this lease or any renewal thereof, policies of public liability and property damage insurance with a responsible insurance company or companies, naming Lessor as an additional insured, in amounts of not less than \$1,000,000 per person, \$1,000,000 per occurrence and \$1,000,000 property damage. Lessee shall furnish current certificates evidencing the existence of such coverage to Lessor and such certificate shall provide that said policy will not be canceled without thirty (30) days written notice to Lessor.

5. **Indemnity.** Lessee shall indemnify and hold harmless and pay on behalf of Lessor all loss claims, demands, expense and judgments against Lessor caused by or arising out of, directly or indirectly;

- A. The performance of this agreement by Lessee;
- B. The Lessee's occupancy or use of the Building or demised Premises;
- C. Any business or operation of Lessee, or
- D. Any matter or thing done, permitted or omitted to be done by Lessee, its agents, employees, contractors, licenses, or invitees, whether occasioned by negligence or otherwise. Lessee's agreement to hold harmless and pay on behalf of Lessor shall extend to all losses, claims, demands and expense by reason of improper or faulty erection or construction of facilities, trade fixtures, or equipment installed on or in the demised Premises by Lessee.

6. **Waiver of Subrogation.** Lessee does hereby relieve and release the Lessor and waive their entire claims of recovery for loss or damage to the demised premises of building, or loss of the use thereof, arising out of or incident to any occurrence or act covered by insurance then in force and being provided by Lessee, whether due to the negligence of the Lessor, their officers, agents, licensees, employees, guests, invitees, visitors or otherwise.

7. **Fire and Casualty Resulting in Loss of Use by Lessee.** Should the premises above described be damaged in fire or other unavoidable casualty not caused by Lessee or its employees, and thereby rendered unfit for the use of occupancy of Lessee in its business, then in that event the rental to be paid by Lessee shall abate until the premises are fully repaired and restored by Lessor

to its original or equivalent condition, provided that in the event of such fire or casualty which renders premises unfit for the use of occupancy, either party may terminate this lease by delivering written notice to the other party within thirty (30) days following the loss of use or occupancy of said premises, and upon said termination, both parties and/or their assigns shall be released from any further liabilities hereunder, provided, however, that Lessor shall reimburse Lessee for the unused portion of any monthly rent paid by Lessee.

In the event neither party terminates this lease, Lessor shall be solely responsible for the restoration and/or repairs of said premises in the event of fire or casualty and Lessor shall restore and/or repair said premises to its original or equivalent condition. Said repairs and restoration to be completed as soon as reasonably possible.

8. **Usage of Premises.** Lessee shall conduct an accounting business on said premises and shall not make or suffer any unlawful or improper or offensive use of the premises or any use of occupancy contrary to any law of the State of Kansas or any ordinance of the City of Hays, Kansas, now or hereafter made or usage which is injurious to Lessor's property.

Lessor represents and covenants that it has the authority to enter into this Lease, and that Lessee upon payment of the rentals and performance of the covenants, shall and may peaceably and quietly occupy the demised Premises during the term of this Lease and any renewal or extension thereof. Lessor agrees to make reasonable efforts to protect Lessee from interference or disturbance by other tenants or third persons; however, Lessor shall not be liable for any such interference or disturbance, nor shall Lessee be released from any obligations of this Lease because of such interference or disturbance.

9. **Maintenance and Repair.** Lessor shall be responsible for the cost and expense of structural repairs to the foundation, exterior walls and roof. Lessor shall make all other necessary repairs and replacements, including without limitation, by repair and replacement of the plumbing, lighting, heating, venting and air conditioning systems and shall perform all other maintenance to the leased premises. All repairs and replacement shall be of quality equal to the original work period. Lessee shall make no structural improvements or changes to the building without the prior consent of Lessor. Lessee shall provide all routine maintenance of the premises and shall keep the property in a clean, sitely and healthful condition.

Lessor or its agents shall have the right to enter in or on the leased premises at any reasonable hours to examine the leased premises and to make such repairs, additions, or alterations as may be required herein which are necessary for the safety, improvements or preservation of the leased premises. Lessee shall keep the leased premises in good, safe and clean condition free of trash, rubbish, dirt, clutter and other obstructions or encumbrances. Lessor shall keep sidewalks clean of trash and debris and shall remove snow and ice therefrom.

10. **Signage and Lighting.** Lessee shall be granted the right to utilize signage identifying Lessee's retail tradename at Lessee's expense either affixed to the interior side of the building front or exterior of the leased premises in a form and style approved by the Lessor which approval shall not be unreasonably withheld. No exterior lighting on the leased premises shall be constructed or installed without Lessor's prior approval.

11. **Utilities.** Lessor shall pay for all water, gas, heat and electricity on the leased premises. Telephone and any and all other utilities shall be responsibility of Lessee.

12. **Remodeling or Structural Improvements.** Lessee shall have the obligation to conduct any construction or remodeling (at Lessee's expense) that may be required to use the Premises as specified above. Lessee may also construct such fixtures on the Premises (at Lessee's expense) that appropriately facilitate its use for such purposes. Such construction shall be undertaken and such fixtures may be erected only with the prior written consent of the Lessor which shall not be unreasonably withheld. Lessee shall not install awnings or advertisements on any part of the Premises without Lessor's prior written consent. At the end of the lease term, Lessee shall be entitled to remove (or at the request of Lessor shall remove) such fixtures, and shall restore the Premises to substantially the same condition of the Premises as the commencement of this lease.

13. **Dangerous Materials.** Lessee shall not keep or have on the Premises any article or thing of a dangerous, flammable, or explosive character that might substantially increase the danger of fire on the Premises, or that might be considered hazardous by a responsible insurance company, unless the prior written consent of Lessor is obtained and proof of adequate insurance protection is provided by Lessee to Lessor.

14. **Compliance with Regulations.** Lessee shall promptly comply with all laws, ordinances, requirements and regulations of the federal, state, county, municipal and other authorities, and the fire insurance underwriters. However, Lessee shall not by this provision be required to make alterations to the exterior of the building or alterations of a structural nature.

15. **Mechanics Liens.** Neither the Lessee nor anyone claiming through the Lessee shall have the right to file mechanics liens or any other kind of lien on the Premises and the filing of this Lease constitutes notice that such liens are invalid. Further, Lessee agrees to (1) give actual advance notice to any contractors, subcontractors or suppliers of goods, labor, or services that such liens will not be valid, and (2) take whatever additional steps that are necessary in order to keep the premises free of all liens resulting from construction done by or for the Lessee.

16. **Assignability/Subletting.** Lessee may not assign or sublease any interest in the Premises, nor effect a change in the majority ownership of the Lessee (from the ownership existing at the inception of this lease), nor assign, mortgage or pledge this Lease, without the prior written consent of Lessor, which shall not be unreasonably withheld.

17. **Default.** In the event Lessee fails to pay rent when due or if the premises become vacant or Lessee becomes financially insolvent or fails to comply with any other obligations provided for herein and after Lessor gives Lessee ten (10) days written notice of such failure, and the same is not remedied or cured, then in that event Lessee shall be deemed in default herein. Upon default, Lessor shall have the right to re-enter and re-let said premises applying any money collected first to the expenses of resuming or obtaining possession and second to restoring the premises to rental condition and then to the payment of rent and all other charges due Lessor under this agreement. Lessor shall further have the right to declare this lease terminated and shall be entitled to damages for breach thereof. In addition, Lessor shall have any and all other remedies to which it may be entitled at law or equity upon Lessee's uncured default.

18. **Americans With Disabilities Act.** Lessor covenants and represents that the leased premises complies with the Americans With Disabilities Act upon Lessee taking initial possession of the leased premises. Lessee covenants and represents that it will not alter the leased premises in such a manner as to cause the leased premises to become non-compliant with the Americans With Disabilities Act. The Lessee shall be responsible for all fines or penalties assessed by governing agencies as a result of Lessee's breach of this paragraph.

19. **Governing Law.** This Lease shall be construed in accordance with the laws of the State of Kansas.

20. **Entire Agreement/Amendment.** This Lease Agreement contains the entire agreement of the parties and there are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Lease. This Lease may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

21. **Severability.** If any portion of this Lease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Lease is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

22. **Waiver.** The failure of either party to enforce any provisions of this Lease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Lease.

23. **Binding Effect.** The provisions of this Lease shall be binding upon and inure to the benefit of both parties and their respective legal representatives, successors and assigns.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

LESSOR .....

**Board of County Commissioners of Ellis County,  
Kansas**

By \_\_\_\_\_  
Dean Haselhorst, Chairperson

LESSEE

**Adams, Brown, Beran & Ball, Chtd.**

By \_\_\_\_\_  
Rex Ball