Engineering Program

Parking Lot 54 Reconstruction

KU Project No. LzG2-8997

Date: October 8, 2012

Prepared by:

The University of Kansas, Lawrence Campus
Office of Design & Construction Management

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Attachments

NPS Project Management Action Plan (10 pp.)

KWPCRF Loan Agreement (38 pp.)

Introduction

Parking Lot 54 is located on the southwest corner of 15th Street and Naismith Drive on the Lawrence Campus of the University of Kansas (KU). Lot 54 serves faculty/staff parking needs in the vicinity of the Schools of Engineering, Law and Performing Arts. This lot contains about 200 parking spaces in approximately 75,000 square feet of surface area. In its current condition the lot presents several challenges:

- The pavement condition is significantly deteriorated.
- Traffic circulation within the street pattern adjacent to and entering/exiting the lot is challenging.
- Additional ADA accessible parking and travel paths are needed to address increased demands associated with the Engineering complex and Murphy Hall.
- Increasing the number of parking stalls in this lot would be advantageous to address overall parking demands.
- The current storm water system to which this lot drains is overtaxed in a moderate rainfall event.
- The lot is in a prominent location on campus bounded by three public streets.

KU has been awarded a $450,000 Nonpoint Source Pollution Control / Green Project Reserve loan with principal forgiveness through the Kansas Department of Health and Environment to reconstruct Lot 54 using pervious concrete pavement and incorporating rain gardens/bioswales.

KU Parking & Transit has committed up to $250,000 for matching funds and to cover loan-ineligible costs. The total project budget is $700,000 including design, construction and all other costs.

Design Objectives

The design for this project must address the following objectives:

- Fully comply with the attached NPS Project Management Action Plan, KWPCRF loan agreement, and all associated/referenced requirements.

- Provide a pervious concrete pavement and aggregate base with a minimum 20-year design life, which, in conjunction with associated bioswales and rain gardens, has the capacity to capture and store storm water runoff up to the 100-year storm event with all stored water percolating into the subsurface within 48-72 hours after precipitation events. The pavement must provide a uniform, smooth surface for vehicular traffic, bicycles, pedestrians – with and without walkers or other assistive devices, and wheelchairs – both manual and powered. The pavement must have sufficient bearing capacity for passenger vehicles and occasional busses, delivery trucks up to 18-wheelers, street sweepers, and snow plows. The pavement must withstand temperature extremes for summer and winter conditions, ultraviolet radiation, freeze-thaw cycles, and other environmental conditions at the site.

- Provide a surface and subsurface drainage system for discharge into the City of Lawrence storm sewer system of storm water runoff exceeding the 100-year storm event or occurring before stored runoff has percolated into the subsurface.

- Increase ADA accessible parking at in Lot 54 to satisfy the needs of the M2SEC and LEEP2 projects and Murphy Hall demands. Provide associated ADA accessible paths of travel, signage, pavement markings, etc.

- Significantly increase the total number of parking stalls in Lot 54 while providing appropriate aisle widths, ingress/egress drive, and green spaces.

- Upgrade lighting to campus-standard LED fixtures and lighting levels.

- Include measures to minimize transport and deposition of solids on and in the pervious pavement.

- Provide pedestrian scale educational signage on the sustainable elements of the project.

- During design, evaluate in detail all feasible options for potential cost savings. With the Owner, determine those adjustments which will be implemented in order to provide a high quality parking lot while minimizing costs.

- Develop and implement a proactive and collaborative team approach to delivering the overall project on time and within budget.

- Address the operational needs and goals of KU Parking & Transit.

Additional design considerations include:

- The perimeter of the lot will be security fenced during the period of construction.

- Dr. John Kervern of UMKC and Dr. David Darwin of KU have offered to review the pervious pavement design. Dr. Kervern is a recognized subject matter expert on pervious pavement within the KC Metro area. Dr. Darwin is a concrete subject matter expert at the national level.

- The design will include appropriate construction traffic control signage.

- DCM will retain geotechnical engineering and land surveying services based on input from the design team.

- Runoff in excess of the parking lot retention capacity will discharge to KU's existing storm water drainage system. KU is not at this time anticipating additional work of a significant nature to the existing storm water drainage system downstream of the parking lot.

- The consultant shall design all signage and pavement markings in compliance with the current Manual on Uniform Traffic Control Devices, including relocation and replacement of any existing signage as deemed necessary for the safe operation of this facility.

- The consultant shall coordinate with KU DCM on the possible integration of KU wayfinding signage into this project.

- The consultant shall evaluate sight distances and recommend any changes to landscaping and other obstructions as necessary to provide safe sight distances per AASHTO criteria.

- The project shall include a storm water pollution prevention plan for the construction work, suitable for

submission to and receive approval by the Kansas Department of Health and Environment (KDHE).

- KU will ask the Concrete Promotional Group of KC to supply a list of designers and contractors who have performed this type of project in the past with successful results.
    - It is highly preferred that the consultant team will have successfully performed at least one pervious pavement design project within the KC Metro area, with this performance documented by the KC Concrete Promotional Group.
    - Successful project performance in other regional areas of similar climate will be considered.

Design Standards / Consultant Services

- The consultant team shall comply with the latest provisions of the University of Kansas Design and Construction Standards, as maintained by the Office of Design and Construction Management (DCM).
    - These standards are posted at the DCM website: http://www.dcm.ku.edu/standards/design
    - The consultant team shall also comply with any supplemental updates to these standards which may be issued during the course of the project.
- The University's Project Representative shall be a DCM staff person assigned to serve as KU's Project Manager, who shall be the primary point of contact for all communications between the Owner, A-E and Contractor.
- Electronic Files: Consultants shall deliver to KU complete sets of electronic files for the drawings and manuals / specifications for each design review submittal, and for the bid sets and as-built sets.
    - Each set of electronic files shall include both PDF and AutoCAD .dwg files for each drawing sheet.
- Contract: An American Institute of Architects B101 contract form, as amended solely by the University and the KU Endowment Association, will be used to contract for these professional services.
    - Copies of this contract template will be provided to each short-listed firm, along with the corresponding A201 General Conditions document that will be issued to the Contractor.

Code Requirements

- Codes currently used on KU projects include the following:
  - International Building Codes, 2006 edition.
  - Kansas Fire Prevention Code, KSFMO, current edition.
  - Other codes as listed at the State of Kansas, Office of Facilities and Property Management (OFPM) website.
  - It is assumed that a Code Footprint will not need to be submitted for this project, but the consultant shall submit an "Is a Code Footprint Required" form to OFPM to confirm this.
- All work shall be in accordance with applicable standards and regulations issued by the American Association of State Highway and Transportation Officials (AASHTO), the Kansas Department of Transportation (KDOT), the University of Kansas and the City of Lawrence.
  - If a conflict exists between those standards, DCM will provide guidance.

Historic Preservation Reviews

This project is not within the environs of any properties listed on the State or Federal Registers of Historic Places.

Construction Delivery Options

The University of Kansas proposes to use a traditional but expedited design-bid-build process for this project. The Owner and consultant team shall jointly develop strict pre-qualification criteria, designed to ensure that contractors approved to bid this project have a proven track record of delivering similar projects, under a similar expedited construction timeframe, and successfully meeting those schedules.

Project Budget

Construction costs	500,000
Subtotal - Construction Costs	**$500,000**
Miscellaneous Costs	
Fees - Consultants, CM, State / KU Agencies	90,000
Printing & Shipping of Bid Documents; Misc.	5,000
Construction Testing & M/E Commissioning	30,000
Bidding & Construction Contingency	75,000
Subtotal - Miscellaneous Costs	**$200,000**
Total Project Cost	**$700,000**

Project Schedule

Advertise for Consultants in KS Register ..... Mid-October 2012
A-E Submittals of Interest due at OFPM ..... Late October 2012
SBAC Reviews Submittals & Determines Shortlist ..... Early November 2012
Interview & Select Consultants (OFPM, KU, KBOR) ..... Mid-November 2012
Negotiate Fees & Process Contracts (Neg. Comm.) ..... Late November 2012

Design:

Preliminary Design (3 weeks) ..... December 2012
Design Development (2 weeks) ..... January 2013
Construction Documents (3 weeks) ..... February. 2013
Bidding ..... March 2013
Contract Award & Execution ..... April 2013

Construction:

Secure Site and Start Demolition ..... Mid-May 2013
Construction (6 weeks) ..... June & July 2013
Punchlist / Final Completion ..... Late July 2013
Open to Traffic ..... Beginning of August 2013

Part of The University of Kansas Campus, within the City of Lawrence, Douglas County, Kansas
NE1/4, NE1/4, NW1/4 of Section 1, Township 13S, Range 19E
Approx. Center Coordinates 38.9564°N, -95.2528°W

NPS Project Management Action Plan

(attached PDF; 10 pages total)

KWPCRF Loan Agreement

(attached PDF; 38 pages total)

NPS Project Management Action Plan

Parking Lot 54 Reconstruction
The University of Kansas

April 26, 2012

The University of Kansas (KU) has been allocated Nonpoint Source Pollution Control / Green Project Reserve funds from the U.S. Environmental Protection Agency, through the Kansas Department of Health and Environment. These funds, along with a 25% match from the University for eligible expenses and additional funding for non-eligible expenses, will be used to reduce nonpoint source pollution and to decrease downstream flooding by reconstructing Parking Lot 54 with a pervious (porous) concrete pavement over crushed rock to capture and infiltrate stormwater runoff up to the 100-year storm event. Islands within the parking lot and adjacent green spaces will also be designed to capture and retain stormwater by creating rain gardens or bio-swales that are planted with native plants and grasses, where feasible. The vegetated islands will remove some pollutants from the runoff as it infiltrates into the soil. The project may involve the creation of additional ADA parking stalls and improvement of adjacent sidewalks and ramps for enhanced accessibility. Landscaping modifications may be included to reduce heat island effects, improve aesthetics, and prevent or minimize transport of sediment and other debris onto the pervious pavement so as to reduce the risk of blocked pores. Lighting, signage, pavement markings, and other appropriate features will also be included in the project.

The following items address the NPS Project Management Action Plan recommended contents promulgated by KDHE:

1. Project Location / Site Description: The project is located at 1501 Irving Hill Road, Lawrence, KS 66045. It is within the Lower Kansas River Watershed, HUC 10270104 (Ref. a). The attached location map provides more details about the project site.

   Parking Lot 54 contains approximately 75,000 square feet of paved surface. Including islands and adjacent areas that drain to the parking lot, the total drainage area is approximately 2.8 acres. As part of this project KU will evaluate whether the parking lot can be reconfigured to provide additional parking spaces; however, the total drainage area is not expected to change.

The elevation of the center of the site is approximately 930 feet above sea level (Ref. b). Average annual precipitation is 37 inches; average annual snowfall is 21 inches (Ref. c). Average annual temperature is 56 degrees F (Ref. c). The site is in Plant Hardiness Zone 6a, which has an annual average extreme minimum temperature of -10 to -5 degrees F (Ref. d). The average frost-free period is April 10 through October 27, or 202 days per year (Ref. e).

The northern one-quarter of the site is underlain by Martin silty clay loam at 3% to 7% slopes, while the southern three-quarters of the site is underlain by Vinland-Martin complex (silty clay loam, sometimes over shallow bedrock) at 7% to 15% slopes (Ref. f). The site is "very limited" (rating factor 1.00) for construction of local roads and streets – meaning that shrink-swell, frost action, and low strength soil conditions govern in pavement design and flexible pavements will have high maintenance needs (Ref. f). These site limitations will be overcome by the proposed rigid pavement design and crushed rock base. The site is "somewhat limited" (rating factor 0.19) to "very limited" (rating factor 1.00) for lawns and landscaping – meaning that depth to saturated zone, depth to bedrock, and slopes present challenges (Ref. f). These site limitations will be overcome through selection of plant species adapted to these conditions, specialized installation procedures, and appropriate care. The subsurface soils on this site have "moderately high" saturated hydraulic conductivity (1 to 10 micrometers per second, or approximately 3.4 to 34 inches per day), so infiltration of stormwater runoff is feasible (Ref. f).

The site is fully developed. To the best of our knowledge the site and its immediate vicinity do not contain any threatened or endangered species, critical habitat, archeological or historic features of interest, wells of any kind, underground storage tanks, soil or water contamination, waste disposal sites, or other environmental concerns. There are no wetlands or streams on the site. The site is not within a 100-year floodplain (Ref. g).

2. Population Served: This project will benefit KU's Lawrence Campus – comprising 25,448 students, 1,578 faculty, and 8,303 staff as of January 2012 (Ref. h) – by providing an improved parking lot for approximately 200 vehicles, reduced stormwater discharge, reduced discharges of nonpoint source pollution, and increased sustainability. The project will also benefit the City of Lawrence – having a 2010 population of 87,643 (Ref. i) – by reducing the amount of stormwater flowing into the city's storm sewer system, thus reducing nonpoint source pollution discharges and decreasing flooding incidents. However, the project will not serve to meet the City of Lawrence's NPDES permit requirements.

In addition, over time KU and the City will achieve incremental cost reductions in utility construction and maintenance due to this project. Downstream populations and ecosystems will also benefit from the reductions in nonpoint source pollutants to the state's creeks and rivers.

3. Needs Assessment: The Lower Kansas River Watershed Restoration and Protection Strategy (WRAPS) watershed plan (Ref. j) identifies excessive Total Maximum Daily Loads (TMDL) for "biology" in the Kansas River at Lawrence and the Lower Kansas River (p. 19), to which the project area ultimately drains. This means that pollution, primarily sediment and nutrients, are adversely affecting aquatic life in these stream reaches. The nutrients phosphorous and nitrogen are "one of the greatest impediments to achieving improved quality of surface waters in Kansas" according to the plan (p. 20). Nonpoint sources from the urban area of Lawrence, including the KU campus, contribute to these loads (p. 20). The plan targets a 30% reduction through strategies and specific actions (p. 20). The pervious pavement, bio-swales and rain gardens proposed in this project will contribute to reducing phosphorous and sediment loads consistent with the WRAPS plan.

   An additional objective of the WRAPS plan is to conserve water (p. 22). Capture of rainwater through the permeable pavement, bio-swales and rain gardens will reduce the amount of potable water needed for irrigation of landscaping in the immediate area.

   KU's Storm Water Management Program (SWMP) for the Lawrence Campus establishes KU's authority and responsibility for designing, implementing, monitoring, maintaining and revising SWMP controls where conveyances are wholly within the campus boundaries. In the University's efforts to vigilantly safeguard the quality of water of our region, KU continues to identify potential sources of storm water pollution on the campus and implements appropriate Best Management Practices (BMPs) for pollution control measures to eliminate or reduce the discharge of pollutants in stormwater runoff.

   KU has recently completed its campus sustainability plan, "Building Sustainable Traditions" (Ref. k). One of the goals in the plan is to reduce stormwater runoff (p. 35) and two of the strategies for accomplishing that goal will be accomplished in this project: "Increase the square footage of rain gardens, bioswales, and climate adapted plantings on Main Campus" (p. 35) and "Reduce the square footage of non-permeable pavements on campus by converting pavements to permeable surfaces" (p. 35).

4. Water Quality Goals and Objectives: KU sampled and analyzed stormwater runoff from paved roads, a parking lot, and green space on the Lawrence Campus during Fall 2008 and found total suspended solids (TSS) ranging from 67 to 438 mg/L, total phosphorus ranging from 0.8 to 2.8 mg/L, nitrate ranging from 0.3 to 0.6 mg/L, and phosphate ranging from 0.1 to 1.1 mg/L (Ref. l). The same study estimated that the 26.4-acre watershed area would generate a TSS load of 228 kg (503 lbs., or 19 lbs./ac) and a phosphorus load of 1 kg (2.2 lbs. or 0.0833 lbs./ac) from a 1-inch storm event. Precipitation records from 1894 through 2011 indicate an average annual precipitation of 37 inches and an average of 10 precipitation events per year equaling or exceeding 1 inch at Lawrence (Ref. m).

   According to a KDOT report, current Center for Watershed Protection guidelines suggest that best management practices should be designed to treat 90 percent of the annual runoff (Ref. n). This project will be designed to retain the volume from the 100-year 24-hour storm event, which produces approximately 8 inches precipitation in Lawrence (Ref. o). This will retain 100 percent of the runoff from lesser storm events, and the retention volume will be regenerated as stored runoff infiltrates into the subsurface between storms. Occasionally there may be back-to-back storms, and/or storms of larger magnitude than the 100-year storm, that overwhelm the retention capacity and result in surface runoff; however, this will be fairly rare.

   Therefore, based on the foregoing, we estimate the proposed project will reduce or essentially eliminate targeted pollution loads as follows:

   TSS: 19 lbs./ac x 10 events per year x 2.8 acres = 532 lbs./year*
   Phosphorus: 0.0833 lbs./ac x 10 events per year x 2.8 acres = 2.3 lbs./year

   *This is supported by a 2004 study found that each 100 square feet of impervious surface can yield up to 1 to 1.2 pounds of solids per year (Ref. p). For the roughly 75,000 square feet of impervious area in this project, this would yield 750 to 900 pounds of solids per year; however, in this plan we are using the site-specific data noted above.

   The project will also reduce or essentially eliminate discharges of other, non-targeted pollutants associated with urban areas including metals, oil, grease, and pesticides (Ref. p).

5. NPS Practices: The following table identifies nonpoint source pollution control practices to be installed and applied at the site, as well as the generalized performance standards and operation and maintenance requirements for each practice.

Item #	Description	Performance Standards	O&M Requirements
1	Erosion and sediment controls during construction (e.g., gravel filter berm at vehicle entrance, silt fence or filter sock along downgradient perimeter and as check dams)	Minimum 80% removal of total suspended solids	Inspect regularly; remove accumulated sediment; repair / replace / relocate controls as necessary
2	Pervious concrete pavement to replace existing asphalt pavement and possibly to replace portions of adjacent concrete sidewalk	Minimum retention capacity for 100% of stormwater runoff from 100-year 24-hour design storm; minimum 80% removal of total suspended solids	Prevent sediment and debris deposition; vacuum sweep at least annually; avoid application of sand; minimize application of deicing salt; pile plowed snow off the pavement to prevent concentrated sediment deposition
3	Rain gardens / bioswales in islands and adjacent landscapes areas where feasible	Minimum 80% removal of total suspended solids and minimum 65% removal of phosphorus	Inspect regularly; remove litter and debris; remove and replace dead vegetation; trim / mow as necessary; water vegetation during dry periods; etc.
4	Vacuum sweep entire parking lot	Maintain at least 80% of original void space in pervious concrete pavement	Vacuum sweep at least once per year when the lot is empty; proper disposal or reuse of the collected sediments; etc.
5	Minimize application of landscaping chemicals (pesticides, fertilizers) in islands and adjacent landscaped areas	Maintain functional rain gardens / bio-swales with no net increase in chemical use	Use soil amendments, native plants, and mulch; re-seed and mow as necessary; follow manufacturer recommendations for fertilizer and pesticide applications; etc.

(Refs. q, r)

6. Estimated Costs: The following cost estimate is from Budget Detail A for the KWPCRF loan application:

Cost Classification	Total Cost	Non-Eligible Cost	Loan Eligible Cost
1. Administrative and legal expenses	$19,500	$19,500	$0
2. Land, structure, rights-of-way, appraisal services, and related costs	$0	$0	$0
3. Payments to landowners, businesses, and/or farm operations	$0	$0	$0
4. Permits (permit application fees are not eligible loan expenses)	$7,980	$7,980	$0
5a. Engineering planning and design fees	$63,750	$0	$0
5b. Engineering fees for construction oversight / inspection	$11,250	$0	$0
5c. Engineering fees for miscellaneous services	$15,000	$0	$0
6. Construction fees	$480,000	$0	$450,000
7. Miscellaneous	$0	$0	$0
8. Subtotal	$597,480	$27,480	$450,000
9. Interest During Construction	$2,813	$2,813	
10. Contingencies	$97,707	$0	$0
11. Total Project Costs	$700,000	$30,293	$450,000
12. Total State Funding			**$450,000**

Administrative and legal expenses include KU Design & Construction Management fees for project management and grant management, as well as KU Facilities Services fees for land surveying and utility location.

Permit fees include Kansas Department of Administration, Office of Facilities and Property Management code review and bidding services (total estimated fee of $7,920) as well as Kansas Department of Health and Environment construction stormwater permit ($60 fee).

Engineering fees for miscellaneous services include geotechnical engineering analysis and recommendations.

Interest during construction is computed as the loan amount ($450,000) times the prorated monthly interest rate (1/12 of assumed 2.5% annual interest rate; the actual interest rate will depend on the effective date of the executed loan agreement) times three months (construction during May-August 2013).

Contingency is computed as 10% of the contracted engineering services and construction costs, and then adjusted for a rounded total cost.

EPA/KDHE will fund up to $450,000 (75% of $600,000) and KU will match $150,000 (25% of $600,000) plus non-eligible expenses; KU's total share of the estimated budget above is $250,000. KU's share is anticipated to be funded through Parking & Transit user fees.

Operation and maintenance costs for the existing asphalt parking lot with grassed islands are estimated to be roughly $15,000 per year on average. O&M costs are not expected to increase when the asphalt parking lot is replaced with pervious concrete and the grassed areas are partially replaced with rain gardens. The increased O&M costs for pavement cleaning and garden maintenance will be offset by reduced O&M costs for the rigid pavement. O&M costs are funded through Parking & Transit user fees.

7. Construction Permits: We anticipate the following construction permits will be required from the Kansas Department of Administration, Office of Facilities and Property Management for compliance with building codes, accessibility laws and construction standards (Ref. s) and from the Kansas Department of Health and Environment for construction stormwater permit (Ref. t).

8. Project Schedule: The anticipated project schedule is tabulated at right. Construction is planned to start in mid-May 2013 and be completed by mid-August 2013.

Award Letter	**2/17/2012**
Pre-Award Meeting	3/26/2012
LAP Progress Meeting with KDHE	End of May
Loan Application Package	6/15/2012
Loan Agreement	**6/30/2012**
Submission of Plans & Designs	Winter 2012
Submission of Bid Documents	Winter 2012
KDHE Approval of P&Ds and Bid Docs	**Early 2013**
Project Bid for 30 Days	Early 2013
Submission of Contractors' Bids	Early 2013
KDHE Approval to Award Bid	**Early Spring 2013**
Award of Bid	Early Spring 2013
Pre-Construction Conference Held	**Spring 2013**
Construction Initiated	Early Summer 2013
Construction Completed	Late Summer 2013
Loan Closeout	**Early Fall 2013**

9. Project Sponsor: The University of Kansas, Office of Design & Construction Management, 1246 West Campus Road, Room 114, Lawrence, KS 66045. Contact Person: Paul Graves, E-mail: pgraves@ku.edu, Phone: 785-864-3875.

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Part of The University of Kansas Campus, within the City of Lawrence, Douglas County, Kansas
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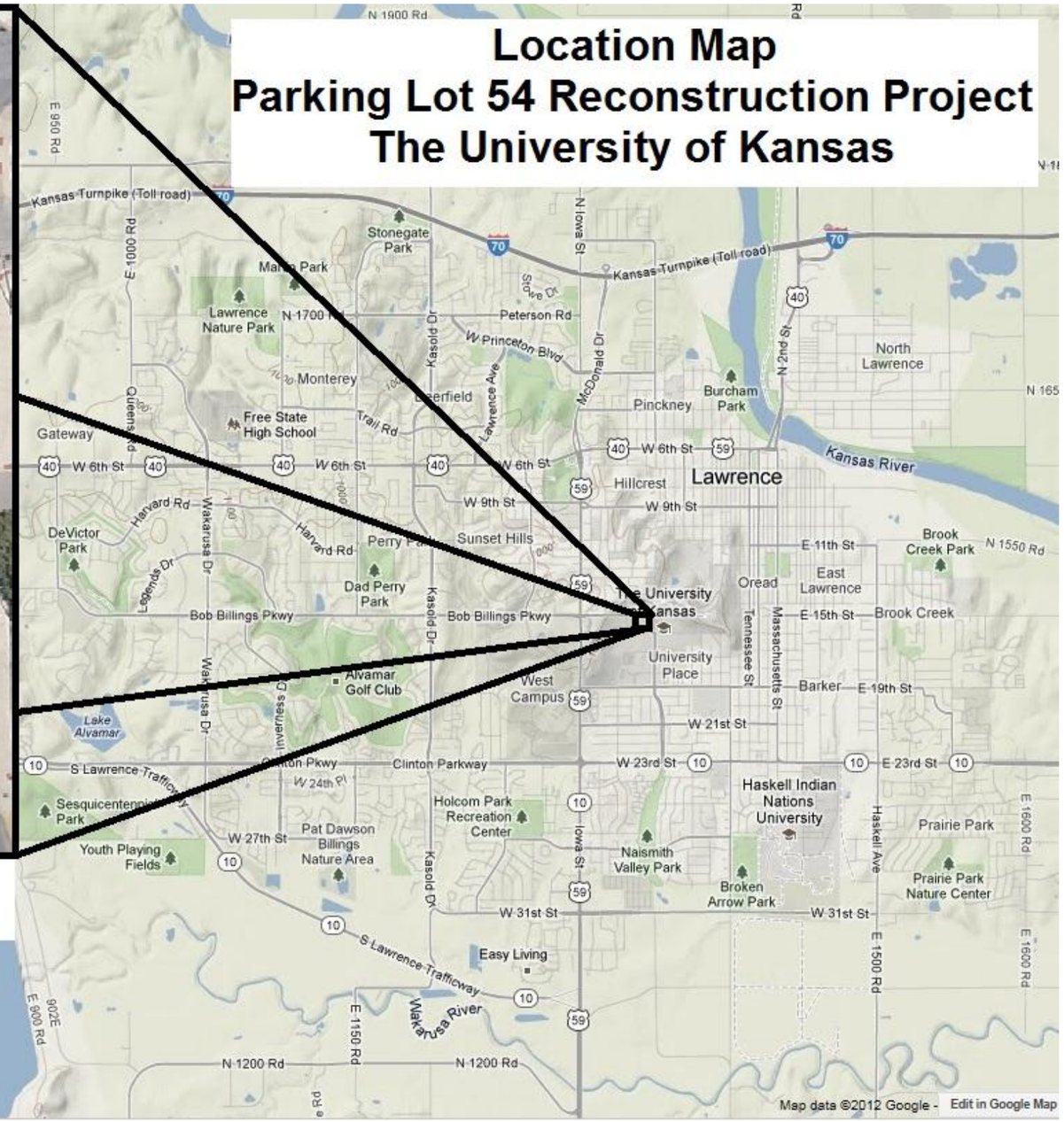

LOAN AGREEMENT

Between

THE KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT
ACTING ON BEHALF OF
THE STATE OF KANSAS

AND

THE UNIVERSITY OF KANSAS

KWPCRF PROJECT NO.: C20 1945 01

EFFECTIVE AS OF SEPTEMBER 10, 2012

LOAN AGREEMENT

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KANSAS WATER POLLUTION CONTROL REVOLVING FUND LOAN AGREEMENT

THIS LOAN AGREEMENT, effective as of September 10, 2012 by and between the KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT ("KDHE"), acting on behalf of THE STATE OF KANSAS (the "State"), and THE UNIVERSITY OF KANSAS, the LOAN RECIPIENT hereinafter referenced as the "Loan Recipient";

WITNESSETH:

WHEREAS, the Federal Water Quality Act of 1987 (the "Federal Act") established a state revolving fund program as a means to phase-out the Environmental Protection Agency (EPA) construction grants program and replace it with a revolving loan program operated by the individual states; and

WHEREAS, to fund the state revolving fund program, the EPA will make annual capitalization grants to the states (CFDA 66.458), on the condition that each state provide a state match for such state's revolving fund; and

WHEREAS, by passage of the Kansas Water Pollution Control Revolving Fund Act, K.S.A. 65-3321 through 65-3329, inclusive (the "Loan Act"), the State of Kansas (the "State") has established the Kansas Water Pollution Control Revolving Fund (the "Revolving Fund") for purposes of the Federal Act; and

WHEREAS, under the Loan Act, the Secretary (the "Secretary") of the Kansas Department of Health and Environment ("KDHE") is given the responsibility for administration and management of the Revolving Fund; and

WHEREAS, the Secretary, the Kansas Department of Administration, Division of Accounts and Reports ("the DOA"), and the Kansas Development Finance Authority (the "Authority") have entered into an Inter-Agency Agreement effective March 1, 1999, (the "Inter-Agency Agreement"), to define the cooperative relationship between KDHE, DOA, and the Authority, to jointly administer certain provisions of the Loan Act; and

WHEREAS, the Authority and KDHE have supplemented the Inter-Agency Agreement by entering into a Combined Master Pledge Agreement, dated as of November 1, 1992, as the same has been amended and may be further amended and supplemented from time to time, (jointly the "Pledge Agreement"), pursuant to which KDHE agrees to enter into Loan Agreements with Loan Recipients for Nonpoint Source Pollution Control Projects (the Projects) as defined in the Loan Act, and to pledge the Loan Repayments received pursuant to such Loan Agreements and certain other revenues to the Authority; and

WHEREAS, the Loan Recipient has made timely application to KDHE for a Loan to finance all or a portion of the Project Costs; and

WHEREAS, KDHE has approved the Loan Recipient's application for a Loan, subject to the receipt of capitalization grants from the EPA pursuant to the Federal Act and proceeds of the Bonds when issued by the Authority; and

NOW, THEREFORE, for and in consideration of the award of the Loan by KDHE, the Loan Recipient agrees to complete its Project and to perform under this Loan Agreement in accordance with the conditions, covenants and procedures set forth herein and attached hereto as a part hereof, as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. The following terms as used in this Loan Agreement shall, unless the context clearly requires otherwise, have the following meanings:

"Act" means the Constitution and laws of the State, including particularly the Loan Act and K.S.A. 74-8905(a), as amended and supplemented.

"Additional Payments" means the payments described in ***Section 2.07*** hereof.

"Authority" means the Kansas Development Finance Authority, a public body politic and corporate and an instrumentality of the State, and its successors and assigns.

"Authorized Representative" means any person authorized pursuant to a resolution of the governing body or board of the Loan Recipient to perform any act or execute any document relating to the Loan, or this Loan Agreement.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations thereunder promulgated by the Department of the Treasury.

"Dedicated Source of Revenue" shall have the meaning ascribed thereto in ***Exhibit B*** attached hereto.

"EPA" means the Environmental Protection Agency of the United States, its successors and assigns.

"Event of Default" means any occurrence of the following events:

(a) failure by the Loan Recipient to pay, or cause to be paid, any Loan Repayment required to be paid hereunder when due;

(b) failure by the Loan Recipient to observe and perform any duty, covenant, obligation or agreement on its part to be observed or performed under this Loan

Agreement, other than as referred to in paragraph (a) of this Section, which failure shall continue for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Loan Recipient by KDHE, unless KDHE shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in such notice is correctable but cannot be corrected within the applicable period KDHE may not unreasonably withhold its consent to an extension of such time up to 90 days from the delivery of the written notice referred to above if corrective action is instituted by the Loan Recipient within the applicable period and diligently pursued until the Event of Default is corrected;

(c) failure by the KDHE to observe and perform any duty, covenant, obligation or agreement on its part to be observed or performed under this Agreement which shall continue for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to KDHE by the Loan Recipient, unless the Loan Recipient shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in such notice is correctable but cannot be corrected within the applicable period the Loan Recipient may not unreasonably withhold its consent to an extension of such time up to 90 days from the delivery of the written notice referred to above if corrective action is instituted by KDHE within the applicable period and diligently pursued until the Event of Default is corrected;

(d) any representation made by or on behalf of the Loan Recipient contained in this Loan Agreement, or in any instrument furnished in compliance with or with reference to this Loan Agreement or the Loan, is intentionally false or misleading in any material respect;

(e) any representation made by or on behalf of KDHE contained in this Agreement, or in any instrument furnished in compliance with or with reference to this Agreement, is intentionally false or misleading in any material respect;

(f) a petition is filed by or against the Loan Recipient under any federal or state bankruptcy or insolvency law or other similar law in effect on the date of this Loan Agreement or thereafter enacted, unless in the case of any such petition filed against the Loan Recipient, such petition shall be dismissed within thirty (30) days after such filing and such dismissal shall be final and not subject to appeal;

(g) the Loan Recipient shall generally fail to pay its debts as such debts become due;

(h) failure of KDHE to promptly pay any Project Costs when reasonably requested to do so by the Loan Recipient pursuant to ***Section 2.04*** hereof.

"Federal Act" means the Federal Water Quality Act of 1987, as amended.

"KDHE" means the Kansas Department of Health and Environment or its successors in interest.

"Loan Act" means the Constitution and laws of the State of Kansas, including particularly K.S.A. 65-3321 through 65-3329, inclusive, as amended and supplemented.

"Loan Agreement" means this Loan Agreement, including the Exhibits attached hereto, as it may be supplemented, modified or amended from time to time in accordance with the terms hereof.

"Loan Recipient" means a local or state government agency, public university, or nonprofit organization referred to in 26 U.S. C. Section 501(c)(3), hereinafter referred to as a 501(c)(3) nonprofit organization, its successors and assigns.

"Loan Repayments" means the payments payable by the Loan Recipient pursuant to ***Section 2.06*** of this Loan Agreement.

"Loan Terms" means the terms of this Loan Agreement provided in ***Article II*** hereof.

"Maintenance Agreement" means an agreement for the operation and maintenance of a nonpoint source pollution control practice on public or private lands.

"Nonpoint Source Pollution Control Practice" means a practice designed to control pollution from a nonpoint as identified in the Kansas Nonpoint Source Pollution Management Plan, 2010 update.

"Principal Forgiveness" means the portion of the Loan Amount that is forgiven, as presented in Section 2.01 Amount of the Loan and in Exhibit B, and will not be required to be repaid.

"Project" means the acquisition, construction, improvement, repair, rehabilitation or extension of the Nonpoint Source Pollution Control Practice(s) described in ***Exhibit A*** hereto, which constitutes a project pursuant to the Loan Act for which KDHE is making a Loan to the Loan Recipient pursuant to this Loan Agreement.

"Project Costs" means all costs or expenses which are necessary or incident to the Project and which are directly attributable thereto, including, but not limited to: (a) costs of any Loan reserves; (b) interest on the Loan during the construction of the Project; (c) principal of and interest on any temporary financing obligations issued by the Loan Recipient to pay Project Costs; and (d) financing and administrative costs associated with the Loan Agreement.

"Regulations" means Kansas Administrative Regulations (K.A.R.) 28-16-110 to 28-16-138, and any amendments thereto promulgated by KDHE pursuant to the Loan Act.

"Revolving Fund" means the Kansas Water Pollution Control Revolving Fund established by the Loan Act.

"Secretary" means the Secretary of KDHE

"State" means the State of Kansas, acting, unless otherwise specifically indicated, by and through KDHE, and its successors and assigns.

Section 1.02. Rules of Interpretation.

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(b) Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

(c) All references in this Loan Agreement to designated "Articles," "Sections" and other subdivisions are, unless otherwise specified, to the designated Articles, Sections and subdivisions of this Loan Agreement as originally executed. The words "herein," "hereof," "hereunder" and other words of similar import refer to this Loan Agreement as a whole and not to any particular Article, Section or other subdivision.

(d) The Table of Contents and the Article and Section headings of this Loan Agreement shall not be treated as a part of this Loan Agreement or as affecting the true meaning of the provisions hereof.

ARTICLE II

LOAN TERMS

Section 2.01. Amount of the Loan. Subject to all of the terms, provisions and conditions of this Loan Agreement, and subject to the availability of State and Federal funds and proceeds of Bonds, KDHE will loan an amount not to exceed Four Hundred Fifty Thousand Dollars [$450,000] to the Loan Recipient to pay all or a portion of Project Costs described in ***Exhibit A*** hereto. The project is funded in part with FFY 2011 Federal funds and will receive Principal Forgiveness in the amount not-to-exceed $450,000. The final actual amount of the Loan and the amount of Principal Forgiveness may be reduced without revision of any other terms, provisions or conditions of this Loan Agreement, other than the Loan Repayment Schedule (***Exhibit B*** hereto), to reflect reductions in the estimated or actual total Project Costs as impacted by opening of bids for construction, change orders, final actual costs, and prepayments. The Loan Recipient shall be responsible for any costs incurred by the Loan Recipient in connection with the Project in addition to the amount of the Loan. Any amendment to ***Exhibit B*** shall be effected by written amendment to the Loan Agreement executed by all parties.

Section 2.02. Interest Rate. The interest rate on the loan shall be 2.29% per annum, which shall be assessed on the unpaid principal balance to be paid as set out in

the Loan Repayment Schedule, ***Exhibit B*** hereto. This interest rate consists of a net loan interest rate, and a service fee, as described in ***Exhibit B***. Any subsequent revision to the amount of the Loan or ***Exhibit B*** hereto shall not change the gross interest rate on the Loan.

Section 2.03. Principal Forgiveness Rate. The parties hereto acknowledge that all or a portion of the principal of the Loan may be forgiven by KDHE; the percentage of which is set out in ***Exhibit B*** hereto. Principal Forgiveness will be calculated at the completion of the Project, after all Project invoices and requests for disbursement have been submitted to KDHE and a total Project Cost has been determined.

Section 2.04. Disbursement of Loan Proceeds.

(a) Subject to the conditions described in this Section, KDHE agrees to disburse the proceeds of the Loan during the progress of the Project for Project Costs. Requests for disbursement may be submitted by the Loan Recipient (in substantially the form attached hereto as ***Exhibit E***), not more than once per month, in accordance with the procedures set forth by KDHE. Any request for disbursement must be supported by proper invoices and a certificate of the Authorized Loan Recipient Representative to the effect that all representations made in this Loan Agreement remain true as of the date of the request and, based upon that information then available to such person, no adverse developments affecting the financial condition of the Loan Recipient or its ability to complete the Project or to repay the Loan have occurred.

The Loan Recipient may request disbursement for the following Project Costs:

(1) any eligible planning/design costs incurred prior to execution of this Loan Agreement;

(2) disbursement for eligible Project Costs if such Project Costs have been incurred and are due and payable to Project contractors (actual payment of such Project Costs by the Loan Recipient is not required as a condition of the payment request); or

(b) KDHE shall not be under any obligation to disburse any Loan proceeds to the Loan Recipient under this Loan Agreement unless:

(1) there are moneys available in the Revolving Fund to fund the Loan, as determined solely by KDHE;

(2) the Loan Recipient shall certify to KDHE that it has executed a Project contract or contracts and has funds available to pay for that portion of the Project Costs not eligible (pursuant to the Loan Act or the Federal Act) to be funded under this Loan Agreement, if any;

(3) no Event of Default by the Loan Recipient shall have occurred and be continuing; and

(4) the Loan Recipient continues to maintain reasonable progress towards completion of the Project.

Section 2.05. Schedule of Compliance; Completion of Project.

(a) The Loan Recipient agrees to complete the Project in accordance with the Conditions Applicable to Construction of the Project set forth in ***Exhibit C*** attached hereto.

(b) The completion of the construction of the Project shall be evidenced to KDHE by a certificate signed by the Authorized Representative stating: (1) that the construction of the Project has been completed in accordance with the plans and specifications therefore; and (2) that all Project Costs have been paid, except Project Costs the payment of which is not yet due or is being retained or contested in good faith by the Loan Recipient. Such certificate shall be given not later than the date established by KDHE, which shall be approximately the date that the Project is capable of being placed into operation by the Loan Recipient. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being.

Section 2.06. Repayment of the Loan.

(a) *Loan Repayments*. The Loan Recipient shall pay to KDHE, on or before the due dates, installments of principal and interest on the Loan in accordance with *Exhibit B* attached hereto, until the Loan has been paid in full either thru such payments or forgiveness as described in **Section 2.03** hereof. Installments of principal and interest on the Loan shall be computed and paid in accordance with the Loan Repayment Schedule on *Exhibit B* as in effect at any time under this Loan Agreement. Notwithstanding any other provision of this Loan Agreement, the payment(s) of interest due on the Loan shall be made within one year after Project completion.

Section 2.07. Additional Payments. The Loan Recipient shall pay as Additional Payments the following amounts: all other payments of whatever nature which the Loan Recipient has agreed to pay or assume hereunder.

ARTICLE III

REPRESENTATIONS AND COVENANTS OF LOAN RECIPIENT

Section 3.01. Representations of the Loan Recipient. The Loan Recipient makes the following representations:

(a) ***Organization and Authority.***

(1) The Loan Recipient is a local or State governmental agency, a public university, or a 501(c)(3) nonprofit organization duly created and validly existing under and pursuant to the constitution and statutes of the State.

(2) The Loan Recipient has full legal right and authority and all necessary licenses and permits required as of the date hereof, or as specified in Exhibit C, to own, operate and maintain the Project. If the Project is constructed on private property, the Loan Recipient has obtained all legal permissions, assurances and agreements from the property owner necessary to ensure construction, operation and maintenance of the project in accordance with the Binding Assurance and KDHE approved Operation and Maintenance Plan, unless otherwise specified in Exhibit C.

(3) The Resolution (adopted substantially in the form attached hereto as ***Exhibit F***) and other proceedings of the Loan Recipient's governing body or board approving this Loan Agreement and authorizing its execution, issuance and delivery on behalf of the Loan Recipient, and authorizing the Loan Recipient to undertake and complete the Project have been duly and lawfully adopted.

(4) This Loan Agreement has been duly authorized, executed and delivered on behalf of the Loan Recipient, and, constitutes the legal, valid and binding obligation of the Loan Recipient enforceable in accordance with its terms.

(b) ***Full Disclosure***. To the best knowledge of the Loan Recipient, there is no fact that the Loan Recipient has not disclosed to KDHE in writing on the Loan Recipient's application for the Loan or otherwise that materially adversely affects or that will materially adversely affect the properties, activities, or its Project, or the ability of the Loan Recipient to make all Loan Repayments and otherwise observe and perform its duties, covenants, obligations and agreement under this Loan Agreement.

(c) ***Non-Litigation***. There is no controversy, suit or other proceeding of any kind pending or threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way: (1) the legal organization of the Loan Recipient; (2) its boundaries; (3) the right or title of any of its officers to their respective offices; (4) the legality of any official act taken in connection with obtaining the Loan; (5) the constitutionality or validity of the indebtedness represented by the Loan Agreement; (6) any of the proceedings had in relation to the authorization or execution of this Loan Agreement; or (7) the ability of the Loan Recipient to make all Loan Repayments or otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement.

(d) ***Compliance with Existing Laws and Agreements***. To the best knowledge of the Loan Recipient, the authorization, execution and delivery of this Loan Agreement by the Loan Recipient, and the performance by the Loan Recipient of its

duties, covenants, obligations and agreements thereunder will not result in any breach of any existing law or agreement to which the Loan Recipient is a party.

(e) ***No Defaults***. No event has occurred and no condition exists that would constitute an Event of Default. The Loan Recipient is not presently aware of any violation of any agreement, which would materially adversely affect the ability of the Loan Recipient to make all Loan Repayments or otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement.

(f) ***Compliance with Law***. The Loan Recipient has, to the best of the Authorized Representative's knowledge:

(1) complied with all laws, ordinances, governmental rules and regulations to which it is subject, including, without limitation, any public hearing or public notice requirements or environmental review requirements contained in the Loan Act, the Regulations and the Federal Act, the failure to comply with which would materially adversely affect the ability of the Loan Recipient to conduct its activities, enter into this Loan Agreement or undertake or complete the Project; and

(2) obtained all licenses, permits, franchises or other governmental authorizations presently necessary for the ownership of the project property which, if not obtained, would materially adversely affect the ability of the Loan Recipient to complete the Project or operate the Project, unless otherwise specified in Exhibit C.

(g) ***Use of Loan Proceeds***. The Loan Recipient will apply the proceeds of the Loan as described in ***Exhibit D***: (1) to finance or refinance a portion of the Project Cost; and (2) where applicable, to reimburse the Loan Recipient for a portion of the Project Costs, which portion was paid or incurred in anticipation of reimbursement by KDHE and is eligible for such reimbursement pursuant to the Regulations and the Code.

(h) ***Project Costs***. The Loan Recipient certifies that the Project Costs, as listed in ***Exhibit D***, is a reasonable and accurate estimation and, upon direction of KDHE, will supply the same with a certificate from its engineer stating that such Costs are reasonable and accurate estimations, taking into account investment income to be realized during the course of construction of the Project, if any, and other lawfully available money that would, absent the Loan, have been used to pay the Project Costs.

Section 3.02. Particular Covenants of the Loan Recipient.

(a) ***Dedicated Source of Revenue for Repayment of the Loan.*** The Loan Recipient hereby establishes the Dedicated Source of Revenue described on *Exhibit B* attached hereto, which Dedicated Source of Revenue is hereby pledged to the Loan Repayments, Additional Payments and all other obligations of the Loan Recipient under this Loan Agreement.

(b) ***Performance Under Loan Agreement***. The Loan Recipient covenants and agrees in the performance of its obligations under this Loan Agreement:

(1) to comply with all applicable State and federal laws, rules and regulations (including, but not limited to the conditions set forth in ***Exhibit C*** hereto) as are applicable to this Loan Agreement; and

(2) to cooperate with KDHE in the observance and performance of the respective duties, covenants, obligations and agreements of the Loan Recipient and KDHE under this Loan Agreement (including, without limitation the requirements contained in ***Exhibit C*** hereto).

(c) ***Completion of Project and Provision of Moneys Therefore***. The Loan Recipient covenants and agrees:

(1) to exercise its best efforts in accordance with prudent utility practice to complete the Project and to so accomplish such completion on or before the estimated Project completion date set forth in ***Exhibit C*** hereto; and

(2) to provide, from its own financial resources, all moneys, in excess of the total amount of proceeds it receives under the Loan, required to complete the Project.

(d) ***Delivery of Documents and Payment of Fees***. Concurrently with the delivery of this Loan Agreement and the closing of the Loan, the Loan Recipient will cause to be delivered to KDHE:

(1) fully executed counterparts of this Loan Agreement;

(2) copies of the Resolution of the governing body or board of the Loan Recipient authorizing the execution and delivery of this Loan Agreement, certified by an Authorized Representative, which shall be in substantially the form attached hereto as ***Exhibit F***;

(3) an opinion of the Loan Recipient's counsel substantially in the form set forth in ***Exhibit G*** attached hereto;

(4) such other certificates, documents, opinions and information as KDHE may reasonably require.

(e) ***Operation and Maintenance of Project***. The Loan Recipient covenants and agrees that it shall, in accordance with prudent Nonpoint Source Pollution Control Practices as specified in the KDHE approved Operation and Maintenance Plan:

(1) at all times operate the properties of its Project in an efficient manner in accordance with applicable laws and regulations;

(2) maintain its Project, making all necessary and proper repairs, renewals, replacements, additions, betterments and improvements necessary to maintain its Project in good repair, working order and operating condition for the useful life of the project, as stated in the KDHE approved Operation and Maintenance Plan;

(3) implement any modification of the financial resources that comprise the Dedicated Source of Revenues as the Secretary may require to ensure repayment of the Loan in accordance with the provisions of the Loan Act; and

(4) take such other action as the Secretary may require in accordance with powers granted to the Secretary under the Loan Act and the Regulations.

(f) ***Disposition of Project***. The Loan Recipient shall ensure that ownership of the Project, if applicable, shall not be sold, leased, or otherwise transferred during the useful life of the project without the consent of the Secretary. In no event shall the Loan Recipient sell, abandon or otherwise transfer ownership of the Project to any person or entity that does not have legal responsibility to operate and maintain the project according to the KDHE approved Operation and Maintenance Plan. The Loan Recipient shall provide the Secretary with ninety (90) days' prior written notice to KDHE of such sale, lease or transfer. No such sale, lease or transfer shall be effective unless compliance is with the provisions of *Section 4.02* hereof, assuming such sale, lease or transfer is deemed to be an assignment for the purposes of such Section.

(g) **Records and Accounts**

(1) The Loan Recipient shall keep accurate records and accounts for its Project (the Project Records), separate and distinct from its other records and accounts (the "General Accounts"). Such Project Records shall be subject to an audit annually in accordance with generally accepted auditing standards if the total Disbursement of Loan Proceeds exceed $25,000 for the Loan Recipient's fiscal year. This audit shall be completed by an independent certified public accountant or firm of independent certified public accountants, or by an independent registered municipal accountant, and may be part of a single agency audit made on the Loan Recipient's General Accounts in accordance with the Federal Single Audit Act of 1984, OMB Circular No. A-133, **Audits of States, Local Governments, and Non-Profit Organizations** as amended in 1996 and 2003 and as may be further amended and revised. Such Project Records and General Accounts shall be made available for inspection by KDHE at any reasonable time, and a copy of the Loan Recipient's annual audit, including all written comments and recommendations of such accountant, shall be furnished to KDHE within 270 days of the close of the Loan Recipient's Fiscal Year being so audited.

(2) The Loan Recipient shall maintain Project accounts in accordance

with generally accepted government accounting standards defined in the Government Accounting, Auditing, and Financial Reporting Manual (1994 Ed.), or any revised edition, issued by the Government Finance Officers Association.

(h) ***Inspections***. The Loan Recipient shall permit the EPA, KDHE and any party designated by KDHE to examine, visit and inspect, at any and all reasonable times, the property, if any, constituting the Project, and to inspect and make copies of any accounts, books and records, including (without limitation) its records regarding receipts, disbursements, contracts, investments and any other matters relating thereto and to its financial standing, including the Project Records and General Accounts, and shall supply such reports and information as the EPA and KDHE may reasonably require in connection therewith.

(j) ***Insurance***. The Loan Recipient is an agency of the State of Kansas and as such is covered by the Kansas Tort Claims Act (K.S.A. 75-6101 et seq.).

(k) ***Notice of Material Adverse Change***. The Loan Recipient shall promptly notify KDHE of any material adverse change in the activities, prospects or condition (financial or otherwise) of the Project, or in the ability of the Loan Recipient to make all Loan Repayments and otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement.

(l) ***Additional Covenants and Requirements***. The parties hereto acknowledge that this Loan Agreement may be assigned or pledged to secure financings of the Authority. Should it be necessary to modify any covenants or obtain or enhance the security of the financings, the parties agree to take all reasonable actions and make reasonable covenants and agreements necessary to accomplish such purpose to the extent permitted by applicable laws.

ARTICLE IV

ASSIGNMENT

Section 4.01. Assignment and Transfer by KDHE. The Loan Recipient hereby approves and consents to any assignment or transfer of this Loan Agreement that KDHE deems necessary in connection with the operation and administration of the Revolving Fund.

Section 4.02. Assignment by the Loan Recipient. This Loan Agreement may not be assigned by the Loan Recipient for any reason.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES

Section 5.01. Notice of Default. If an Event of Default shall occur, the non-defaulting party shall give the party in default and the Authority prompt telephonic notice

of the occurrence of such Event of Default, provided the non-defaulting party has knowledge of such Event of Default. Such telephonic notice shall be immediately followed by written notice of such Event of Default given in the manner set forth in ***Section 6.01*** hereof.

Section 5.02. Remedies on Default.

(a) Whenever an Event of Default shall have occurred and be continuing, KDHE or the Loan Recipient shall have the right to take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due and to become due or to enforce the performance and observance of any obligation or agreement of KDHE or the Loan Recipient (including, without limitation, withholding remaining Loan disbursements, cancellation of the Loan Agreement and acceleration of the remaining scheduled principal payments set forth on ***Exhibit B***, or such other remedies provided to the Secretary in the Loan Act and the Regulations.

(b) Upon the occurrence of an Event of Default on the part of KDHE, and to the extent permitted by law and availability of appropriated funds by the Kansas Legislature, KDHE shall, on demand, pay to the Loan Recipient the reasonable fees and expenses incurred by the Loan Recipient in the enforcement of performance or observation of any other duties, covenants, obligations or agreements of KDHE contained herein. Prior to incurring any such expenses, the Loan Recipient shall provide written notice to KDHE that it intends to incur such expenses; provided, however, a failure by the Loan Recipient to give such notice shall not affect the Loan Recipient's right to receive payment for such expenses. Upon request by KDHE, the Loan Recipient shall provide copies of statements evidencing the fees and expenses for which the Loan Recipient is requesting payment.

Section 5.03. Expenses. Upon the occurrence of an Event of Default on the part of the Loan Recipient, and to the extent permitted by law, the Loan Recipient shall, on demand, pay to KDHE the reasonable fees and expenses incurred by KDHE in the collection of Loan Repayments or any other sum due hereunder or in the enforcement of performance or observation of any other duties, covenants, obligations or agreements of the Loan Recipient contained herein. Prior to incurring any such expenses, KDHE shall provide written notice to the Loan Recipient that it intends to incur such expenses; provided, however, a failure by KDHE to give such notice shall not affect KDHE's right to receive payment for such expenses. Upon request by the Loan Recipient, KDHE shall provide copies of statements evidencing the fees and expenses for which KDHE is requesting payment.

Section 5.04. Application of Moneys. Any moneys collected by KDHE pursuant to ***Section 5.02*** hereof shall be applied: (a) first, to pay interest on the Loan as the same becomes due and payable; (b) second, to pay principal due and payable on the Loan; (c) third, to pay expenses owed by the Loan Recipient pursuant to ***Section 5.03*** hereof; and (d) fourth, to pay any other amounts due and payable hereunder as such amounts become due and payable.

Section 5.05. No Remedy Exclusive; Waiver; Notice. No remedy herein conferred upon or reserved to the Parties hereto is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity. The parties hereto, in good faith, shall exercise such remedies with due diligence in a timely manner, however, no delay or omission to exercise any right, remedy or power accruing upon any Event of Default shall impair any such right, remedy or power or shall be construed to be a waiver thereof, but any such right, remedy or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the parties hereto to exercise any remedy reserved to them in this ***Article V***, it shall not be necessary to give any notice, other than such notice as may be required in this ***Article V***.

Section 5.06. Retention of Rights. Notwithstanding any assignment or transfer of this Loan Agreement pursuant to the provisions hereof, or anything else to the contrary contained herein, the parties hereto shall have the right upon the occurrence of an Event of Default to take any action, including (without limitation) bringing an action against the defaulting party at law or in equity, as such party may, in its discretion, deem necessary to enforce the obligations of the defaulting party pursuant to this Loan Agreement.

Section 5.07. Financial and Management. Upon failure of the Loan Recipient to pay one or more installments of the Loan Repayments in a timely manner, or in the event that the Secretary deems it advisable or necessary, the Secretary, after consultation with the governing body of the Loan Recipient, may require the Loan Recipient to undergo a financial and management operations review. The governing body or board shall correct any deficiencies noted during such review and adopt charges or surcharges as may be required by the Secretary during the term of this Loan Agreement.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when: (a) hand delivered; (b) mailed by registered or certified United States mail, postage prepaid; or (c) via telefax, with confirmation in the manner set forth in *subsection (b)*, to the parties hereinafter set forth at the following addresses:

(1) to KDHE:

Department of Health and
Environment
1000 SW Jackson Street, Suite 420
Topeka, Kansas 66612-1367
Attention: Bureau of Water

with a copy to its General Counsel

(2) to the Authority:

Kansas Development Finance
Authority
555 South Kansas Avenue, Suite 202
Topeka, Kansas 66603
Attention: President,

with a copy to its General Counsel

(3) to the Loan Recipient:

at the address set forth on ***Exhibit H***.

All notices given by telefax as aforesaid shall be deemed given as of the date of evidence of receipt thereof by the recipient. All notices given by registered or certified mail as aforesaid shall be deemed duly given as of the date they are so deposited in the United States Postal Service, if postage is prepaid. Any of the foregoing parties may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent, by notice in writing given to the others.

Section 6.02. Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon KDHE and the Loan Recipient and their respective successors and assigns.

Section 6.03. Severability. In the event any provision of this Loan Agreement shall be held illegal, invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

Section 6.04. Amendments, Supplements and Modifications. This Loan Agreement may not be amended, supplemented or modified without the prior written consent of the Authority.

Section 6.05. Execution in Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument.

Section 6.06. Governing Law and Regulations. This Loan Agreement shall be governed by and construed in accordance with the laws of the State, including the Loan Act and the Regulations, which Regulations are, by this reference thereto, incorporated herein as a part of this Loan Agreement.

Section 6.07. Consents and Approvals. Whenever the written consent or approval of the State shall be required under the provisions of this Loan Agreement, such consent or approval may only be given by the Secretary.

Section 6.08. Further Assurances. The Loan Recipient shall, at the request of KDHE, authorize, execute, acknowledge and deliver such further resolutions, conveyances, transfers, assurances, financing statements and other instruments as may be reasonably necessary or desirable for better assuring, conveying, granting, assigning and confirming the rights, security interests and agreements granted or intended to be granted by this Loan Agreement.

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IN WITNESS WHEREOF, KDHE and the Loan Recipient have caused this Loan Agreement to be executed, sealed and delivered, effective as of the date above first written.

THE KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT, acting on behalf of THE STATE OF KANSAS

Kansas
Department of Health and Environment

By: Robert Moser
Title: Secretary

"KDHE"

Date: 9/14/12

THE UNIVERSITY OF KANSAS

(Seal)

TONI R. McMILLEN
Notary Public - State of Kansas
My Appt. Expires 10/21/12

By: Theresa Gordizer
Title: Chief Business & Financial Planning Officer
"Loan Recipient"

Date: 9/21/12

ATTEST:

By: Toni R McMillen
Title: Notary Public

EXHIBIT A

DESCRIPTION OF THE PROJECT

Reconstruction of Parking Lot 54 (approximately 75,000 square feet) located on the University of Kansas campus with permeable (porous) concrete pavement. The project also plans to convert existing islands within the parking lot and adjacent green spaces to a series of rain gardens and bioswales to be planted with native vegetation.

EXHIBIT B

DEDICATED SOURCE OF REVENUES AND LOAN REPAYMENT SCHEDULE

Dedicated Source of Revenue.

The Loan Recipient shall indicate all sources of revenue and cash on hand that will be sufficient to (a) pay the interest on the Loan within one year of the Project completion date, (b) pay any loan amount not eligible for principal forgiveness, (c) pay the remaining percentage of Project Costs not covered by the loan which will comprise no less than 25% of eligible project costs, and (d) to pay operation and maintenance of the Project during the life of the Project. The Loan Recipient shall impose any charges on the property owner of the property on which the Project is implemented necessary to insure aforementioned payments can be made.

Interest Payment Schedule

The Loan Recipient and KDHE have agreed that all interest on the Loan accrued during the construction period will be paid within 1 year from the project completion date. This will include the Loan Interest Rate and Service Fee as shown on the Loan Repayment Schedule. KDHE will give the Loan Recipient written notice of the interest payment due within 30 days of the payment due date. The Loan Recipient will have 30 days following the due date to remit the scheduled payment.

Principal Forgiveness

The principal forgiveness amount is calculated at 100% of the loan costs for the construction and design of the green components of the project design, as determined by KDHE. The components of the project design are listed in Exhibit D of this Loan Agreement. The loan amount shall not exceed 75% of the Project cost. The remaining 25% of the Project cost will be paid by the Loan Recipient using the Dedicated Source of Revenue as described above.

Loan Repayment Schedule

KANSAS WATER POLLUTION CONTROL REVOLVING LOAN FUND

Estimated Draws - Actual Interest Rate
Amortization of Loan Costs

Project Principal:	450,000.00
Gross Loan Costs:	450,000.00
Est. "Green Component":	450,000.00
Est. "Principal Forgiveness":	450,000.00
Est. Amortization Amount:	450,000.00

Total Estimated Cash Payment Required from Loan Recipient (Interest and Service Fee During Const.): 1,631.63

Prepared for:
University of Kansas, Project No. C20 1945-01

Gross Rate:	2.29%		
Service Fee Rate:	0.25%	1st Payment Date:	9/1/2013
9/10/2012 Loan Interest Rate:	2.04%	Number of Payments:	40

Payment Number	Payment Date	Beginning Balance	Interest Payment	Principal Payment	Service Fee	Total Payment	Ending Balance
1	9/1/2013	450,000.00	4,590.00	8,932.90	562.50	14,085.40	441,067.10
2	3/1/2014	441,067.10	4,498.88	9,035.19	551.33	14,085.40	432,031.91
3	9/1/2014	432,031.91	4,406.73	9,138.63	540.04	14,085.40	422,893.28
4	3/1/2015	422,893.28	4,313.51	9,243.27	528.62	14,085.40	413,650.01
5	9/1/2015	413,650.01	4,219.23	9,349.11	517.06	14,085.40	404,300.90
6	3/1/2016	404,300.90	4,123.87	9,456.15	505.38	14,085.40	394,844.75
7	9/1/2016	394,844.75	4,027.42	9,564.42	493.56	14,085.40	385,280.33
8	3/1/2017	385,280.33	3,929.86	9,673.94	481.60	14,085.40	375,606.39
9	9/1/2017	375,606.39	3,831.19	9,784.70	469.51	14,085.40	365,821.69
10	3/1/2018	365,821.69	3,731.38	9,896.74	457.28	14,085.40	355,924.95
11	9/1/2018	355,924.95	3,630.43	10,010.06	444.91	14,085.40	345,914.89
12	3/1/2019	345,914.89	3,528.33	10,124.68	432.39	14,085.40	335,790.21
13	9/1/2019	335,790.21	3,425.06	10,240.60	419.74	14,085.40	325,549.61
14	3/1/2020	325,549.61	3,320.61	10,357.85	406.94	14,085.40	315,191.76
15	9/1/2020	315,191.76	3,214.96	10,476.45	393.99	14,085.40	304,715.31
16	3/1/2021	304,715.31	3,108.10	10,596.41	380.89	14,085.40	294,118.90
17	9/1/2021	294,118.90	3,000.01	10,717.74	367.65	14,085.40	283,401.16
18	3/1/2022	283,401.16	2,890.69	10,840.46	354.25	14,085.40	272,560.70
19	9/1/2022	272,560.70	2,780.12	10,964.58	340.70	14,085.40	261,596.12
20	3/1/2023	261,596.12	2,668.28	11,090.12	327.00	14,085.40	250,506.00
21	9/1/2023	250,506.00	2,555.16	11,217.11	313.13	14,085.40	239,288.89
22	3/1/2024	239,288.89	2,440.75	11,345.54	299.11	14,085.40	227,943.35
23	9/1/2024	227,943.35	2,325.02	11,475.45	284.93	14,085.40	216,467.90
24	3/1/2025	216,467.90	2,207.97	11,606.85	270.58	14,085.40	204,861.05
25	9/1/2025	204,861.05	2,089.58	11,739.74	256.08	14,085.40	193,121.31
26	3/1/2026	193,121.31	1,969.84	11,874.16	241.40	14,085.40	181,247.15
27	9/1/2026	181,247.15	1,848.72	12,010.12	226.56	14,085.40	169,237.03
28	3/1/2027	169,237.03	1,726.22	12,147.63	211.55	14,085.40	157,089.40
29	9/1/2027	157,089.40	1,602.31	12,286.73	196.36	14,085.40	144,802.67
30	3/1/2028	144,802.67	1,476.99	12,427.41	181.00	14,085.40	132,375.26
31	9/1/2028	132,375.26	1,350.23	12,569.70	165.47	14,085.40	119,805.56
32	3/1/2029	119,805.56	1,222.02	12,713.62	149.76	14,085.40	107,091.94
33	9/1/2029	107,091.94	1,092.34	12,859.20	133.86	14,085.40	94,232.74
34	3/1/2030	94,232.74	961.17	13,006.44	117.79	14,085.40	81,226.30
35	9/1/2030	81,226.30	828.51	13,155.36	101.53	14,085.40	68,070.94
36	3/1/2031	68,070.94	694.32	13,305.99	85.09	14,085.40	54,764.95
37	9/1/2031	54,764.95	558.60	13,458.34	68.46	14,085.40	41,306.61
38	3/1/2032	41,306.61	421.33	13,612.44	51.63	14,085.40	27,694.17
39	9/1/2032	27,694.17	282.48	13,768.30	34.62	14,085.40	13,925.87
40	3/1/2033	13,925.87	142.04	13,925.87	17.49	14,085.40	0.00
		Totals	101,034.26	450,000.00	12,381.74	563,416.00	

Prepared by DAAR

EXHIBIT C

CONDITIONS APPLICABLE TO CONSTRUCTION OF THE PROJECT

1. Loan Recipient agrees to expeditiously initiate and complete the Project in accordance with the following schedule:

   a. Advertising for bids within 30 days of authorization to advertise.
   b. Bid opening no sooner than 30 days after advertisement for bids.
   c. Contract award within 60 days of bid opening.
   d. Issuance of notice to proceed within 30 days of contract award.
   e. Finalization of construction and Initiation of Operation within 120 days of notice to proceed or no later than September 2013.
   f. Project Performance Certification 365 days following Initiation of Operation.

   No change may be implemented by the Loan Recipient, which will delay or accelerate this schedule without prior approval of KDHE. KDHE must be promptly notified of any proposed changes.

2. The Loan Recipient agrees that all bid solicitations will include the following statement in the "Advertisement for Bids" for this project:

   Nondiscrimination in Employment

   Bidders on this work will be required to comply with the President's Executive Order No. 11246 as amended. Requirements for bidders and contractors under this order are explained in the specifications.

3. a. The Loan Recipient agrees that all bid solicitations will include the following statement in the "Information to Bidders" for this project:

   "Bidders on this work, including subcontractors or vendors, will be required to comply with the Kansas Act Against Discrimination (K.S.A. 44-1001 et. seq.) and the Kansas Age Discrimination in Employment Act (K.S.A. 44-1111 et. seq.)".

   Currently there is no reporting procedure associated with this requirement.

   b. The Loan Recipient agrees to comply with the Kansas Act Against Discrimination, K.S.A. 44-1001, et. seq. and the Kansas Age Discrimination in Employment Act, K.S.A. 44-1111, et. seq. as provided by law and to include those provisions in every contract or purchase order so that they are binding upon such subcontractors or vendors.

4. The Loan Recipient will obtain a signed Certificate of Non-Segregated Facilities from the prime contractor prior to the award of a construction contract if the contract exceeds $10,000 and is not exempt from the provisions of the equal

opportunity clause. The Loan Recipient will assure that the prime contractor obtains a signed copy of Certificate of Non-Segregated Facilities from each subcontractor prior to the award of any subcontract exceeding $10,000, which is not exempt from the provisions of the equal opportunity clause. The certificate signed by the prime contractor is to be kept on file with the Loan Recipient; and certificates signed by subcontractors are to be kept on file with the prime contractor.

5. The Loan Recipient hereby agrees to the following requirements regarding Disadvantaged Business Enterprise (DBE) procurement:

   a. If the loan amount is greater than $250,000, adopt the MBE/WBE Fair Share Objective/Goals established between KDHE and EPA for construction of the project. These goals will be made part of the construction contract specifications.

   b. Make the good faith efforts to contact DBE firms set out in 40 CFR Section 33.301 whenever procuring construction services for the project.

   c. Comply with the administrative provisions found in 40 CFR Section 33.302.

   d. If the loan amount is greater than $250,000, maintain a bidders list of contractors and subcontractors that have previously bid on Loan Recipient projects funded by KWPCRLF as required by 40 CFR Section 33.501(b).

   e. The Loan Recipient agrees to submit to KDHE a completed EPA Form 5700-52A by April 15 and October 15, once the notice to proceed for construction has been issued, thru the semi-annual period in which construction has been completed.

6. The owner or successful bidder must obtain, prior to construction, permit coverage from KDHE to discharge stormwater runoff associated with construction activity for most any project which disturbs one acre or more of soils. A Notice of Intent form (NOI) must be submitted to KDHE 60 days before the start of construction and a permit determination from KDHE must be made before construction can begin. The Kansas construction stormwater general permit, a Notice of Intent (application form), a frequently asked questions file, and supplemental materials are available online on the KDHE Stormwater Web Page at www.kdhe.state.ks.us/stormwater.

7. The Loan Recipient shall follow applicable state procurement laws and regulations, and procedures established by the Secretary of KDHE as presented in Water Quality Policy Memorandum No. 10-1 dated May 3, 2010 - Final. KDHE approval is required prior to procurement.

8. The Loan Recipient agrees to make prompt payment to its contractor(s) of sums due for construction and to retain only such amounts as may be justified by

specific circumstances and provisions of this Loan Agreement or the construction contract. Adequate provisions for such payments must be included in the specifications. Delays in payment to contractors for SRF-funded portions of the project may result in monetary penalty to the Recipient due to the "Rebate" requirements of Federal tax law.

9. The Loan Recipient hereby assures that the engineering firm principally responsible for supervising construction and for providing engineering services during construction will continue its relationship with the Loan Recipient for a period of up to one year after initiation of operation of the Project. This engineering firm, or qualified professional, will verify proper function of the installed Nonpoint Source Pollution Control Practice.

   a. The Loan Recipient agrees the performance standards applicable to the Project are:

      (1) All construction deficiencies have been resolved.

   b. One year after completion of construction and initiation of operation of the Project, the Loan Recipient shall certify to KDHE whether or not such Project meets the design specifications and requirements contained in subparagraph a. of this condition. Any statement of non-compliance must be accompanied by a corrective action report containing: an analysis of the cause of the Project's inability to meet performance standards; actions necessary to bring it into compliance, and a reasonably scheduled date for positive certification of the Project. Timely corrective action will be executed by the Loan Recipient.

10. The final operation and maintenance plan must be submitted to KDHE at or prior to by the Loan Recipient for approval by KDHE at or prior to 90 percent construction completion. The operation and maintenance plan must include, but is not limited to, a description of the project, pollution control practices utilized in the project, operation and maintenance responsibilities and agreements with responsible parties, documentation and inspection schedules, applicable appendices.

11. Prior to permission to advertise for bids, the Loan Recipient agrees to comply with the public meeting, public hearing and intergovernmental review requirements as specified in K.A.R. 28-16-136, K.A.R. 28-16-137 and Kansas Water Pollution Control Revolving Fund Guidance.

12. The Environmental Clearance Document "Finding of No Significant Impact" (FONSI) will be placed on 30 day public notice for comment. The Loan Recipient agrees and consents to KDHE's authority to monitor and enforce compliance with any mitigative measures identified as a result of the environmental clearance process. Any such mitigative measures will be presented within an Amendment to this Loan Agreement.

13. The Loan Recipient hereby agrees to implement measures to mitigate all known adverse environmental effects of this project. The following mitigative actions are required: Subject to Environmental Clearance.

14. The Loan Recipient agrees that all bid solicitations will include the following statement:

    "Bidders must fully comply with Subpart C of 40 CFR Part 32 entitled Responsibilities of Participants Regarding Transactions. Contractors, subcontractors, or suppliers that appear on the Excluded Parties List System at www.epls.gov are not eligible for award of any contracts funded by the Kansas Water Pollution Control Revolving Loan Fund."

    Subpart C of 40 CFR Part 32 must be included as part of the contract documents and EPA Form 5700-49 must be included in all contracts, completed and returned with the bid form.

    The Loan Recipient acknowledges that doing business with any part appearing in the "List of Parties Excluded from Federal Procurement or Non Procurement Programs" may result in disallowance of federal funds under this Loan Agreement and may also result in suspension or debarment under this Part.

15. The Loan Recipient agrees that all bid solicitations will include the Anti-Lobbying Certification form, which must be completed and returned with the bid form.

16. The Loan Recipient agrees to include Section 202 of Executive Order 11246 in all contracts and subcontracts for all construction contracts exceeding $10,000.00.

17. In accordance with OMB Circular A-133, which implements the Single Audit Act, the Loan Recipient hereby agrees to obtain a single audit from an independent auditor if it expends $500,000 or more in total Federal funds in any fiscal year. Please note this loan is provided, in part, with federal funds (CFDA 66.458). Within nine months after the end of the recipient's fiscal year or 30 days after receiving the report from the auditor, the recipient shall submit a copy of the Audit Report to KDHE. Please note the cost of the Audit is an allowable cost to be paid with loan funds.

18. The Loan Recipient must comply with and include the requirements of the Prohibition Statement below in all sub-awards made to private entities.

    The Contractor, its employees, subcontractors and subcontractors' employees may not engage in severe forms of trafficking in persons during the period of time that the contract is in effect; procure a commercial sex act during the period of time that the contract is in effect; or use forced labor in the performance of the contract or subcontract.

19. The Loan Recipient must comply with Title VI of the Civil Rights Act of 1964,

Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, and a variety of program-specific statutes with nondiscrimination requirements.

Other civil rights laws may impose additional requirements on the Loan Recipient. These laws include, but are not limited to, Title VII of the Civil Rights Act of 1964 (prohibiting race, color, national origin, religion, and sex discrimination in employment), the American with Disabilities Act (prohibiting disability discrimination in employment and in services provided by State and local governments, businesses, and non-profit agencies), and the Fair Housing Act (prohibiting race, color, national origin, age, family status, and disability discrimination in housing), as well as any other applicable civil rights laws.

20. The Loan Recipient must comply with the "Cross-Cutting Federal Authorities: A Handbook on Their Application in the Clean Water and Drinking Water State Revolving Fund Programs", dated October 2003 and found at

    http://www.epa.giv/owm/cwfinance/cwsrf/enhance/DocFiles/Other%20Docs/Crosscutterhandbook.pdf.

21. The Loan Recipient shall obtain a Corps of Engineers Section 404 and/or Section 10 permit prior to awarding the construction contract, if applicable.

22. KDHE does not assume any obligation, commitment, or responsibility for funding anticipated or future steps, phases, segments or stages of this project. The Loan Recipient agrees to complete the Nonpoint Source Pollution Control Practice in accordance with the timeline in Exhibit C, item 1, regardless of whether KDHE funding is available for possible future segments.

23. The Loan Recipient shall obtain KDHE approval of project plans and specifications prior to permission to advertise for construction bids for the project.

EXHIBIT D

USE OF LOAN PROCEEDS

The proposed project will provide for the reconstruction of Parking Lot 54 (approximately 75,000 square feet) located on the University of Kansas campus with permeable (porous) concrete pavement. The project also plans to convert existing islands within the parking lot and adjacent green spaces to a series of rain gardens and bioswales to be planted with native vegetation.

The loan proceeds will be utilized to pay up to 75% of the costs for:

1. Construction: actual construction costs of the Green Infrastructure / Nonpoint Source Pollution Control Project

2. Engineering: actual costs of construction services including basic services, design, bidding, inspection, operation and maintenance plan, one year project performance evaluation, and all items as included in the engineering contract.

3. Administrative: reasonable costs of legal and financial administrative support directly provided for the project.

4. Miscellaneous: reasonable costs of project management and project coordination, as approved by KDHE.

5. Green Components:
   All of the project components identified in Exhibit A

The Loan Recipient is responsible for paying the remaining percentage (a minimum of 25%) of allowed costs as specified above not covered by the loan amount.

Unallowable Loan Costs: The costs of full time employees of the Loan Recipient, purchase of land and easements, repairs and replacement of privately owned sewers.

EXHIBIT E

INSTRUCTIONS FOR REQUESTING DISBURSEMENTS

1. All payment requests must be filed on the Outlay Report and Request for Disbursement Form and represent the actual completion level of the project at the date the request is prepared.

2. All cost entries must be based upon allowable work in place, which is due and payable. This means that you may **not** request payment for:

   a. Any work or services, which have not been explicitly approved by the KDHE in the Loan Agreement or subsequent amendments.

   b. Any work performed under a change order unless written approval of the change order has been given by the State.

   c. Any ineligible project costs.

   d. Any retainage which you are withholding from the construction contractor, engineer, etc.

   e. Expenditures relating to site acquisition, easements, rights-of way, EXCEPT: (1) additional work required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act such as appraisal and certification services; (2) when the site itself is allowable in accordance with Federal SRF regulations and guidance; and (3) costs incurred in eminent domain proceedings.

   f. Incidental costs normal to operating overhead of the Loan Recipient, whether performed by the Loan Recipient's employees, the engineer, or the attorney.

   It is essential that you understand the cost basis of the approved Loan amount. It is, therefore, necessary that you read the Loan Agreement (including all conditions) and its transmittal letter, any Loan amendments and Project correspondence, and that you maintain current and accurate files on all approved change orders. Failure to follow these procedures may result in your requesting and subsequently receiving overpayment of loan funds, which later may, in turn, result in substantial inconvenience to the Loan Recipient. This could include repayment or crediting to KDHE the interest earned on overpaid funds, and any penalties that can result from this action.

3. **INSTRUCTIONS** - Please type or print legibly. Items 4, 5, 6, and 8.o. are self-explanatory; specific instructions for other items are as follows:

Item	Entry
2.	This space is reserved for the assigned KDHE project number. Enter complete project identification number e.g., C20 0681 02.
3	Mark the appropriate box. If the request is final, the amounts billed should represent the final cost of the project.
7.	The employer identification number assigned by the U.S. Internal Revenue Service **MUST** be entered to assist in processing of your Disbursement Request.
8.	Use only columns (a), (b), and (c).
8a	Enter amounts expended for such items as travel, legal fees, rental of vehicles and any other administrative expenses. Include the amount of interest expense when authorized by program legislation. Also show the amount of interest expense on a separate sheet.
8b	Enter amounts pertaining to the work of location and designing, making surveys and maps, sinking test holes, and all other work required prior to actual construction.
8c	Enter all amounts directly associated with the acquisition of land, existing structures and related right-of-way.
8d	Enter basic fees for services of architectural engineers.
8e	Enter other architectural engineering services. Do not include any amounts shown on line d.
8f	Enter inspection and audit fees of construction and related programs.
8g	Enter those amounts associated with the actual construction of, addition to, or restoration of a facility.
8h	Enter amounts for all equipment, both fixed and movable, exclusive of equipment used for construction. For example, permanently attached laboratory tables, built-in audio visual systems, movable desks, chairs, and laboratory equipment.
8i	Enter the amounts for all items not specifically mentioned above.
8j	Enter the total cumulative amount to date which should be the sum of lines a through i.
8k	Enter the total amount of program income applied to the loan agreement. Identify on a separate sheet of paper the sources and types of the income.
8l	Enter the net cumulative amount to date which should be the amount shown on line j minus the amount on line k.
8m	Enter the amount of reimbursements paid to date.

8n Enter the amount now being requested for reimbursement. This amount should be the difference between the amounts shown on lines l and m. If different, explain on a separate sheet.

9a To be completed and signed by the duly authorized recipient official. The date should be the actual date the form is submitted to the funding agency.

9b Leave blank, this is to be completed by the funding agency official representative who is certifying to the percent of project completion as provided for in the terms of the loan agreement.

4. **NOTE: ONE ORIGINAL SIGNATURE DISBURSEMENT REQUESTS AND ONE SET OF SUPPORTING DOCUMENTATION MUST BE SUBMITTED. Submit disbursement requests directly to:**

Kansas Department of Health & Environment
Bureau of Water
Municipal Programs
1000 SW Jackson Street, Suite 420
Topeka, Kansas 66612-1367

You should retain one copy for your records.

5. The Authorized Representative identified in the Loan Agreement remains the principal contact for all project matters.

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EXHIBIT E

KWPCRF or KPWSLF OUTLAY REPORT AND REQUEST FOR DISBURSEMENT (See Instructions)	1. AGENCY TO WHICH THIS REPORT IS SUBMITTED: KDHE - BUREAU OF WATER MUNICIPAL PROGRAMS SECTION OR PUBLIC WATER SUPPLY SECTION	2. KDHE PROJECT NUMBER ASSIGNED KWPCRF PROJECT # C20_____ KPWSLF PROJECT # _____
3. TYPE OF REQUEST: FINAL _____ PARTIAL _____	4. PAYMENT REQUEST NUMBER #	5. PERIOD COVERED BY THIS REPORT FROM (Mo, day, year) TO (Mo, day, year)

6. RECIPIENT ORGANIZATION INFORMATION

7. FEIN NUMBER:

NAME :

NO. & STREET :

CITY :

STATE AND ZIP CODE

8. TO: THE KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT, ACTING ON BEHALF OF THE STATE OF KANSAS UNDER THE LOAN AGREEMENT EFFECTIVE AS OF _____, BETWEEN KDHE AND the _____.
The undersigned hereby requests that the following amounts be paid to the following payees for the following Project Costs as defined in said Agreement:

CLASSIFICATION	(a)Total amount requested	(b) Payee	(c) Description	Total Approved (KDHE use only)
a. Administrative expense				See KDHE Attached Sheet or Reverse Side
b. Preliminary expense (Planning and Design)				
c. Land, structures, right-of-way (Not allowable)				
d. Architectural engineering basic fees				
e. Other architectural engineering fees				
f. Project inspection fees				
g. Construction and project improvement cost				
h. Equipment (By Separate Contract)				
i. Miscellaneous cost				
j. Total cumulative to date (sum of lines a thru i)	$0.00			
k. Deductions for program income				
l. Net cumulative to date (Line j minus line k)	$0.00			
m. Disbursements Paid to Date				
n. Amount due this Request (Line l minus Line m)	$0.00			
o. Percentage of physical completion of project				

9. CERTIFICATION: I hereby state and certify that: (i) the amounts requested are or were necessary and appropriate in connection with the purchase, construction and installation of the Project, have been properly incurred and are a proper disbursement of the proceeds of the Loan and that an inspection has been performed and all work is in accordance with the terms of the Loan; have been paid or are justly due to the persons whose names and addresses are stated above; and have not been the basis of any previous requisition from the proceeds of the Loan; (ii) as of this date, except for the amounts specified above, there are no outstanding statements which are due and payable for labor, wages, materials, supplies or services in connection with the acquisition, purchase, construction, improvement, repair, rehabilitation or extension of the Wastewater Treatment Works or the Water Supply/Treatment/Distribution Works; (iii) all representations made in the Agreement remain true as of the date of this request; and (iv) no adverse developments affecting the financial condition of the Recipient or its ability to complete the Project or to repay the Loan have occurred.

a. RECIPIENT:		b. KDHE Representative Certifying to line 8.n. Rodney R. Geisler or David F. Waldo	
Signature of Authorized Certifying Official		Signature of Authorized Certifying Official **See KDHE Attached Sheet or Reverse Side**	
Typed or Printed Name and Title		Typed or Printed Name and Title Chief, Municipal Programs Section or Public Water Supply	
Date Submitted	Telephone (Area Code, number & ext.)	Date Approved	Telephone (Area Code, number & ext.)
			785-296-5527 or 296-5503

*** AMOUNT ROUNDED DOWN TO NEAREST WHOLE DOLLAR PER KWPCRF PROGRAM REQUIREMENT.**

Revised 12/05 http://www.kdheks.gov/water - State Revolving Loan Fund - Outlay Report & Request for Disbursement (Excel)

EXHIBIT F

FORM OF LOAN RECIPIENT RESOLUTION

* * * * * * * * * * * * * *

EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF OR BOARD OF
_____, (LOAN RECIPIENT)
HELD ON [DATE]

The Governing Body, or Board, of the Loan Recipient met in [regular/special] session at the [Meeting Place], at [meeting time], the following members being present and participating, to-wit:

Absent:

The Chief Executive Officer declared that a quorum was present and called the meeting to order.

(Other Proceedings)

Thereupon, there was presented a Resolution entitled:

> **A RESOLUTION AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT BETWEEN THE UNIVERSITY OF KANSAS AND THE STATE OF KANSAS, ACTING BY AND THROUGH THE KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT FOR THE PURPOSE OF OBTAINING A LOAN FROM THE KANSAS WATER POLLUTION CONTROL REVOLVING FUND FOR THE PURPOSE OF FINANCING A NONPOINT SOURCE POLLUTION CONTROL PROJECT; ESTABLISHING A DEDICATED SOURCE OF REVENUE FOR REPAYMENT OF SUCH LOAN; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION THEREWITH; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE LOAN AGREEMENT.**

Thereupon, [Council/Board Member] _____ moved that said Resolution be passed. The motion was seconded by [Council/Board Member] _____. Said Resolution was duly read and considered, and upon being put, the motion for the passage of said Resolution was carried by the vote of the Governing Body or Board, the vote being as follows:

Yes: _____.

No: _____.

Thereupon, the Chief Executive Officer declared said Resolution duly passed and the Resolution was then duly numbered Resolution No. _____ and was signed and approved by the Chief Executive Officer and attested by the Administrative Officer. The Administrative Officer was directed to publish the Resolution one time an official local newspaper.

(Other Proceedings)

On motion duly made, seconded and carried, the meeting thereupon adjourned.

(SEAL)

_____
Administrative Officer

[BALANCE OF PAGE INTENTIONALLY LEFT BLANK]

EXHIBIT G

FORM OF OPINION OF LOAN RECIPIENT'S COUNSEL

[Closing Date]

Kansas Development Finance Authority
Topeka, Kansas

The Kansas Department of Health and
Environment, acting on behalf of
The State of Kansas
Topeka, Kansas

Re: Loan Agreement effective as of _____, between the Kansas Department of Health and Environment ("KDHE"), acting on behalf of the State of Kansas (the "State"), and _____, (the "Loan Recipient")

I have acted as counsel to the Loan Recipient in connection with the authorization, execution and delivery of the above referenced Loan Agreement (the "Loan Agreement"). In my capacity as counsel to the Loan Recipient, I have examined original or certified copies of minutes, Resolution of the Loan Recipient and other documents relating to the authorization of the Project, the authorization, execution and delivery of the Loan Agreement, and the establishment of a Dedicated Source of Revenue (as defined in the Loan Agreement) for repayment of the Loan evidenced by the Loan Agreement. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in the Loan Agreement.

In this connection, I have examined the following:

(a) an executed or certified copy of the Loan Agreement;

(b) proceedings adopted or taken by the Loan Recipient to authorize and approve the Project to be constructed with the proceeds of the Loan evidenced by the Loan Agreement;

(c) Resolution No. _____ of the Loan Recipient adopted on [Resolution Date], and other proceedings of the Loan Recipient taken and adopted in connection with the authorization, execution and delivery of the Loan Agreement, and the establishment of a Dedicated Source of Revenue for repayment of the Loan evidenced by the Loan Agreement; and

(d) such other proceedings, documents and instruments as I have deemed necessary or appropriate to the rendering of the opinions expressed herein.

In this connection, I have reviewed such documents, and have made such investigations of law, as deemed relevant and necessary as the basis for the opinions hereinafter expressed.

Based upon the foregoing, it is my opinion, as of the date hereof, that:

1. The Loan Recipient is a [local or state governmental agency],[public university] [501(c)(3) nonprofit organization duly created, organized and existing under the laws of the State].

2. The Loan Recipient will implement the construction of a nonpoint pollution control project, as said term is defined in the Loan Act.

3. The Project has been duly authorized by the Loan Recipient.

4. The Loan Recipient has all requisite legal power and authority to, and has been duly authorized under the terms and provisions of the Resolution to, execute and deliver, and perform its obligations under, the Loan Agreement.

5. The Loan Agreement has been duly authorized, executed and delivered by the Loan Recipient and constitutes a valid and binding agreement of the Loan Recipient enforceable in accordance with its terms, subject as to enforcement of remedies to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting creditors' rights heretofore or hereafter enacted, and subject further to the exercise of judicial discretion in accordance with general principles of equity. In rendering this opinion I have assumed due authorization, execution and delivery of the Loan Agreement by the State, acting by and through KDHE.

6. The Loan Recipient has duly authorized the Dedicated Source of Revenue for repayment of the Loan to be made pursuant to the Loan Agreement, as stated in Exhibit B.

7. To the best of my knowledge, the execution and delivery of the Loan Agreement by the Loan Recipient will not conflict with or result in a breach of any of the terms of, or constitute a default under, any ordinance, indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Loan Recipient is a party or by which it or any of its property is bound or any of the rules or regulations applicable to the Loan Recipient or its property or of any court or other governmental body.

Very truly yours,

EXHIBIT H

LOAN RECIPIENT'S NOTICE ADDRESS

Paul Graves, Deputy Director
University of Kansas
Design and Construction Management
114 Carruth-O'Leary Hall
Lawrence, KS 66045-7000