



REQUEST FOR COMMISSION ACTION
CITY OF INDEPENDENCE
August 26, 2021

Department Finance

Director Approval Lacey Lies

AGENDA ITEM Consider third amendment to the Water Supply Loan Agreement with KDHE.

SUMMARY RECOMMENDATION City Staff recommends approving the amendment.

BACKGROUND The City entered into a Loan Agreement with KDHE on August 15, 2018 in the amount of \$ 3,107,770 for improvements to the Water Treatment Plant. This Amendment does not modify the loan amount. It only revises the amortization schedule to reflect a new repayment date of February 1, 2022. Amendments will continue until all loan proceeds have been drawn down or the project is completed.

SUGGESTED MOTION I move to authorize the Mayor to sign Amendment No. 3 to the Loan Agreement with KDHE.

SUPPORTING DOCUMENTS Amendment No. 3

THIRD AMENDMENT TO THE
LOAN AGREEMENT

BETWEEN

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

AND

INDEPENDENCE, KANSAS
KPWSLF PROJECT NO. 2933

ORIGINAL LOAN AGREEMENT
EFFECTIVE AS OF AUGUST 15, 2018

AMENDMENT NO. 3
EFFECTIVE AS OF JULY 20, 2021

Third Amendment to
the Loan Agreement between the
Kansas Department of Health and Environment
Acting on behalf of the State of Kansas
and Independence, Kansas
Effective as of July 20, 2021

WHEREAS, the City of Independence, Kansas (the Municipality) has entered into a Loan Agreement with the Kansas Department of Health and Environment, acting on behalf of the State of Kansas, effective as of August 15, 2018, (the "Loan Agreement"); and

WHEREAS, said Loan Agreement was entered into for the benefit of the City of Independence, KPWSLF Project No. 2933 ; and

WHEREAS, the City of Independence hereby determines that it is necessary to amend certain exhibits to the Loan Agreement, and

WHEREAS, this Third Amendment to the Loan Agreement is entered into and effective as of July 20, 2021;

SECTION 1. Exhibit B2 of the LOAN AGREEMENT BETWEEN THE KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT AND INDEPENDENCE, KANSAS are hereby amended to read as set forth on the pages attached hereto.

SECTION 2. Except as herein specifically set out, the Loan Agreement is confirmed and ratified.

IN WITNESS WHEREOF, KDHE and the City of Independence have caused this Third Amendment to the Loan Agreement for the Municipality to be executed, sealed and delivered, effective as of July 20, 2021.



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

By: Leo G. Henning
Leo G. Henning
Deputy Secretary and Director
Division of Environment

Date: 7-23-2021

By: _____

Printed Name
Mayor
City of Independence

(Seal)

ATTEST:

By: _____

Title: _____

Date: _____

KANSAS PUBLIC WATER SUPPLY LOAN FUND

Estimated Draws - Actual Interest Rate
Amortization of Loan Costs as of 7/20/2021

Project Principal: 3,107,770.00
Interest During Const.: 0.00
Service Fee During Const.: 0.00
Gross Loan Costs: 3,107,770.00

Prepared for:
City of Independence, Project No. 2933

Gross Interest Rate Allocation	thru 8/1/2025	after 8/1/2025	Gross Interest Rate:	2.33%
Service Fee Rate:	1.98%	0.35%	First Payment Date:	2/1/2022
Net Loan Interest Rate:	0.35%	1.98%	Number of Payments:	40

Payment Number	Payment Date	Beginning Balance	Interest Payment	Principal Payment	Service Fee	Total Payment	Ending Balance
1	2/1/2022	3,107,770.00	5,438.60	61,436.06	30,766.92	97,641.58	3,046,333.94
2	8/1/2022	3,046,333.94	5,331.08	62,151.79	30,158.71	97,641.58	2,984,182.15
3	2/1/2023	2,984,182.15	5,222.32	62,875.86	29,543.40	97,641.58	2,921,306.29
4	8/1/2023	2,921,306.29	5,112.29	63,608.36	28,920.93	97,641.58	2,857,697.93
5	2/1/2024	2,857,697.93	5,000.97	64,349.40	28,291.21	97,641.58	2,793,348.53
6	8/1/2024	2,793,348.53	4,888.36	65,099.07	27,654.15	97,641.58	2,728,249.46
7	2/1/2025	2,728,249.46	4,774.44	65,857.47	27,009.67	97,641.58	2,662,391.99
8	8/1/2025	2,662,391.99	4,659.19	66,624.71	26,357.68	97,641.58	2,595,767.28
9	2/1/2026	2,595,767.28	25,698.10	67,400.89	4,542.59	97,641.58	2,528,366.39
10	8/1/2026	2,528,366.39	25,030.83	68,186.11	4,424.64	97,641.58	2,460,180.28
11	2/1/2027	2,460,180.28	24,355.78	68,980.48	4,305.32	97,641.58	2,391,199.80
12	8/1/2027	2,391,199.80	23,672.88	69,784.10	4,184.60	97,641.58	2,321,415.70
13	2/1/2028	2,321,415.70	22,982.02	70,597.08	4,062.48	97,641.58	2,250,818.62
14	8/1/2028	2,250,818.62	22,283.10	71,419.55	3,938.93	97,641.58	2,179,399.07
15	2/1/2029	2,179,399.07	21,576.05	72,251.58	3,813.95	97,641.58	2,107,147.49
16	8/1/2029	2,107,147.49	20,860.76	73,093.31	3,687.51	97,641.58	2,034,054.18
17	2/1/2030	2,034,054.18	20,137.14	73,944.85	3,559.59	97,641.58	1,960,109.33
18	8/1/2030	1,960,109.33	19,405.08	74,806.31	3,430.19	97,641.58	1,885,303.02
19	2/1/2031	1,885,303.02	18,664.50	75,677.80	3,299.28	97,641.58	1,809,625.22
20	8/1/2031	1,809,625.22	17,915.29	76,559.45	3,166.84	97,641.58	1,733,065.77
21	2/1/2032	1,733,065.77	17,157.35	77,451.36	3,032.87	97,641.58	1,655,614.41
22	8/1/2032	1,655,614.41	16,390.58	78,353.67	2,897.33	97,641.58	1,577,260.74
23	2/1/2033	1,577,260.74	15,614.88	79,266.49	2,760.21	97,641.58	1,497,994.25
24	8/1/2033	1,497,994.25	14,830.14	80,189.95	2,621.49	97,641.58	1,417,804.30
25	2/1/2034	1,417,804.30	14,036.26	81,124.16	2,481.16	97,641.58	1,336,680.14
26	8/1/2034	1,336,680.14	13,233.13	82,069.26	2,339.19	97,641.58	1,254,610.88
27	2/1/2035	1,254,610.88	12,420.65	83,025.36	2,195.57	97,641.58	1,171,585.52
28	8/1/2035	1,171,585.52	11,598.70	83,992.61	2,050.27	97,641.58	1,087,592.91
29	2/1/2036	1,087,592.91	10,767.17	84,971.12	1,903.29	97,641.58	1,002,621.79
30	8/1/2036	1,002,621.79	9,925.96	85,961.03	1,754.59	97,641.58	916,660.76
31	2/1/2037	916,660.76	9,074.94	86,962.48	1,604.16	97,641.58	829,698.28
32	8/1/2037	829,698.28	8,214.01	87,975.60	1,451.97	97,641.58	741,722.68
33	2/1/2038	741,722.68	7,343.05	89,000.52	1,298.01	97,641.58	652,722.16
34	8/1/2038	652,722.16	6,461.95	90,037.37	1,142.26	97,641.58	562,684.79
35	2/1/2039	562,684.79	5,570.58	91,086.30	984.70	97,641.58	471,598.49
36	8/1/2039	471,598.49	4,668.83	92,147.45	825.30	97,641.58	379,451.04
37	2/1/2040	379,451.04	3,756.57	93,220.97	664.04	97,641.58	286,230.07
38	8/1/2040	286,230.07	2,833.68	94,307.00	500.90	97,641.58	191,923.07
39	2/1/2041	191,923.07	1,900.04	95,405.67	335.87	97,641.58	96,517.40
40	8/1/2041	96,517.40	955.52	96,517.40	168.66	97,641.58	0.00
		Totals	489,762.77	3,107,770.00	308,130.43	3,905,663.20	

Prepared by the Department of Administration