

**INTERLOCAL COOPERATION AGREEMENT RESPECTING CERTAIN WAREHOUSE  
FACILITY IMPROVEMENTS AT STROTHER FIELD AIRPORT/INDUSTRIAL PARK AND  
THE FINANCING THEREOF**

This Interlocal Agreement, made pursuant to the statutory provisions of K.S.A. 12-2901 *et seq.*, and all acts amendatory thereof or supplemental thereto (the “Act”), is entered into as of [Effective Date], by and between:

**The City of Arkansas City, Kansas**  
herein referred to as “Arkansas City,” and

**The City of Winfield, Kansas**  
herein referred to as “Winfield,” and

**The Strother Field Commission**  
herein referred to as the “Strother Field Commission”

**WHEREAS**, Arkansas City and Winfield own, as tenants in common, certain real estate in Cowley County, Kansas, and Sumner County, Kansas, which is described as follows (the “Strother Field Airport/Industrial Park”): Strother Field in Cowley County, Kansas consisting of approximately 1,440 acres; and

**WHEREAS**, Arkansas City and Winfield have heretofore entered into an interlocal agreement pursuant to the Act, dated September 19, 1966, respecting the management and operation of Strother Field Airport/Industrial Park for the mutual benefit, protection, advantage and economic development of Arkansas City and Winfield, and pursuant to that agreement have established a separate legal entity and body corporate and politic known as the “Strother Field Commission” and prescribed that such entity be responsible for such management and operation; and

**WHEREAS**, it is necessary and advisable to construct, furnish and equip warehouse facility improvements at the Strother Field Airport/Industrial Park for use by the cities and the Strother Field Commission at an estimated cost of approximately \$4,340,000 (the “Project”); and

**WHEREAS**, it is necessary and advisable that all or a portion of the costs of the Project be financed and paid through the issuance of general obligation bonds by Arkansas City (the “Bonds”); and

**WHEREAS**, the Project will benefit all parties to this Agreement and it is necessary and advisable to prescribe the manner in which each of the parties will share and contribute to the payment of the Bonds issued to finance the Project.

**NOW, THEREFORE, IN CONSIDERATION OF THE AFORESTATED PREMISES** and the mutual benefits to the participants which shall accrue by virtue of this Agreement, the parties hereto covenant and agree:

**Section 1. Obligations of Strother Field Commission.** Strother Field Commission shall be fully responsible for all amounts necessary to pay the principal of and interest on the Bonds (the “Debt Service Requirements”) as the same become due. Upon the sale and delivery of the Bonds, Arkansas City

shall provide to Strother Field Commission and Winfield a debt service schedule (the “Debt Service Schedule”) setting forth the amounts of the Debt Service Requirements due on the Bonds and the dates on which such amounts are due (the “Bond Payment Dates”). Strother Field Commission shall remit full payment for its obligations hereunder to Arkansas City, with such amounts being received by Arkansas City not less than 30 calendar days prior to the respective Bond Payment Date, as shown by the Debt Service Schedule. If the Strother Field Commission fails to satisfy its payment obligations hereunder, Arkansas City and Winfield may exercise any remedy then available at law or in equity.

**Section 2. Allocation of Costs between Arkansas City and Winfield.** If the Strother Field Commission does not for any reason satisfy its payment obligations prescribed in the preceding **Section 1**, Arkansas City and Winfield shall each be responsible for paying one-half of the Debt Service Requirement as the same become due. If payment from the Strother Field Commission is not received by Arkansas City as prescribed in the preceding **Section 1**, Arkansas City will promptly give notice thereof to Winfield and Winfield shall, within 10 calendar days of receipt of such notice, remit to Arkansas City payment for one-half of the amount of the Debt Service Requirement due on the Bonds, for which payment from the Strother Field Commission was not remitted. The parties hereto acknowledge that the obligations of Winfield under this Agreement are subject to K.S.A. 10-1101 *et seq.* and as such Winfield is obligated hereunder only to the extent that it has funds actually on hand in its treasury at the time for such purpose.

**Section 3. Acquiring, Holding, Disposing of Property.** Arkansas City and Winfield and, as tenants in common, are authorized to acquire, own, and hold property for the use and benefit of the Strother Field Commission. The Strother Field Commission shall enforce the performance of all contracts and work, and have charge and custody of all the property, assets, books, and records belonging to the Strother Field Airport/Industrial Park; providing that nothing herein shall be construed to authorize a sale of Strother Field Airport/Industrial Park properties without an affirmative vote of the governing body of both cities as provided by law; but said Strother Field Commission may provide for the sale or other disposition of any useless, worn-out, obsolete, or surplus supplies, equipment, or structures not then useful in the operation of the Strother Field Airport/Industrial Park.

**Section 4. Term and Termination.** This Agreement shall remain in full force and effect until the Bonds issued by Arkansas City (for a primary term of [[ten] ([10]]) years) mature and are paid, unless earlier terminated by consent of Arkansas City, Winfield and Strother Field Commission. Notwithstanding any termination of this Agreement, the obligations of the parties with respect to the Bonds shall continue until the Bonds and interest thereon are paid in full and retired. Upon termination as herein set forth, the manager of the Strother Field Airport/Industrial Park shall, with assistance of authorized auditors, account to Winfield and Arkansas City as tenants in common.

**Section 5. Administration.** Arkansas City shall be responsible for administering the undertaking set forth in this Agreement.

**Section 6. Provisions.** This Agreement shall be in full force and effect upon execution by the parties hereto. If one or more provisions of this Agreement are hereafter found void or unenforceable as contrary to the law, the remaining provisions shall nevertheless remain in full force and effect and only such provisions as are specifically found invalid shall be null and without effect.

**THIS AGREEMENT** is authorized by K.S.A. 12-2901 *et seq.* as each of the contracting parties hereto are public agencies as described therein.

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**IN WITNESS WHEREOF**, the above and foregoing Agreement is hereby executed by the parties hereto on the day and year first above appearing.

**CITY OF ARKANSAS CITY, KANSAS**

(Seal)

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Mayor

ATTEST:

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Clerk

**CITY OF WINFIELD, KANSAS**

(Seal)

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Mayor

ATTEST:

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Clerk

**STROTHER FIELD COMMISSION**

(Seal)

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Chairman

ATTEST:

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Secretary