



# City Commission Special Meeting

Thursday, May 21, 2026 at 5:00 PM  
Commission Chambers, 124 S Bluff, Anthony, KS 67003

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## AGENDA

### CALL TO ORDER

### ROLL CALL

### PUBLIC COMMENT

### ITEMS OF BUSINESS

- [1.](#) Approve Entegriy Energy Partners Solar Design-Build Contract
2. Untable - Approve Equipment Lease Purchase Agreement for Solar Array
- [3.](#) Approve Equipment Lease Purchase and Escrow Agreement for Solar Array
- [4.](#) Approve Ordinance No. S-326 Lease Purchase Agreement for Solar Array
- [5.](#) Approve KMEA Task Order #2 for 25kV Feed to Solar Array
- [6.](#) Review Notice To Proceed for Entegriy Energy Partners for Solar Array

### ADJOURNMENT

# SOLAR POWERED ELECTRIC ENERGY GENERATION FACILITY DESIGN-BUILD CONTRACT

**PARTIES:**

**City of Anthony, Kansas**  
124 S. Bluff Ave.  
Anthony, KS 67003

**Entegrity Energy Partners, LLC**  
1403 East 6<sup>th</sup> Street  
Little Rock, AR 72202

This Solar Powered Electric Energy Generation Facility Design, Construction, Installation, and Purchase Contract ("Contract") is made and entered into as of this \_\_\_\_ day of \_\_\_\_\_ 2026, by and between the **City of Anthony, Kansas** ("Owner") and **Entegrity Energy Partners, LLC**, an Arkansas limited liability company (Contractor), the "Parties."

Now, THEREFORE, in consideration of the mutual promises and covenants contained herein and intending to be legally bound hereby, the Parties hereto covenant and agree that the any Schedules or Exhibits attached hereto are made a part of this Contract by reference:

**Table of Contents:**

- A. Definitions**
- B. Scope of Work, Project Schedule, Notice to Proceed, and Contractor Obligations**
- C. Owner Obligations**
- D. Contract Sum and Payment Schedule**
- E. Terms & Conditions**

## A. DEFINITIONS

Capitalized terms used in this Contract shall have the meanings assigned to them in this Section A or elsewhere in the Contract. In the event of a conflict between this Contract and any Schedule or Exhibit, the terms of this Contract shall govern unless expressly stated otherwise.

1. **ACCEPTANCE.** Owner's written confirmation that the Work (or a defined portion thereof) has achieved Mechanical Completion or Final Completion, as applicable.
2. **ANNEXATION APPROVAL.** Final written approval by the Harper County Kansas Board of County Commissioners authorizing annexation of the real property comprising a portion of the Project Site into the Owner's municipal boundaries, which approval is final, non-appealable, and no longer subject to administrative or judicial review.
3. **CHANGE ORDER.** A written instrument issued after execution of this Contract signed by Owner and Contractor, stating their agreement upon the following:
  - a. The scope of the change in the Scope of Work;
  - b. The amount of the adjustment to the Contract Sum; and
  - c. The extent of the adjustment to the Project Schedule.
4. **CONTRACT.** This Contract shall consist of this Solar Electric Energy Generation Facility Design-Build Contract, and all Schedules and Exhibits attached hereto, and any subsequent written Contract Modification(s) or Change Orders made to this Contract.
5. **CONTRACT EFFECTIVE DATE.** The date this Contract is executed by a duly authorized representative of each Party thereto.
6. **CONTRACT MODIFICATIONS.** Any mutually agreed upon written amendment to this Contract issued after execution of this Contract and signed by both Parties.
7. **CONTRACT SUM.** The sum of all materials, labor, auditing, design, engineering, project performance management, overhead, profit, contingency, and subcontracted services related to the performance of the Work at the Owner's Project Site. The Contract Sum includes amounts payable upon execution of this Contract as consideration, as well as amounts payable for performance of the Work
8. **DEFECT.** Any work that does not conform to the requirements of the Contract.
9. **ELECTRIC UTILITY.** Anthony Electric, and its successors and assigns.
10. **FINAL COMPLETION.** Final Completion means the date on which all Work is complete in accordance with the Contract and all workers performing the Work are off the Project Site (other than as necessary to perform warranty work).
11. **FORCE MAJEURE EVENT.** Any act or event that prevents the affected Party from performing its obligations in accordance with this Contract, if such act or event is beyond the reasonable control, and not the result of the fault or negligence, of the affected Party. Subject to the foregoing, Force Majeure Events may include but are not limited to the following acts or events: (i) extraordinary wind storms, hail, tornados, hurricanes, floods, lightning strikes, and earthquakes; (ii) explosions or fires arising from

lightning strikes or other causes unrelated to the acts or omissions of the Party seeking to be excused from performance and unrelated to any defect in materials or equipment of Contractor; (iii) acts of war or public disorders, civil disturbances, riots, insurrection, sabotage, epidemic, pandemic, official actions of any governmental authority, terrorist acts, or rebellion; and (iv) strikes or labor disputes.

- 12. FUNDED WORK.** Those portions of the Work expressly authorized in a Notice to Proceed and supported by currently appropriated and lawfully available funds in compliance with Kansas law.
- 13. MECHANICAL COMPLETION.** The date the Scope of Work in whole or in part, is sufficiently implemented in accordance with the Contract and is complete except for minor items, adjustments, and/or corrections.
- 14. NOTICE TO PROCEED (“NTP”).** A written authorization issued by Owner after satisfaction of Annexation Approval that identifies specific portions of the Work authorized to proceed and certifies the maximum amount of funds lawfully appropriated and available for such Work.
- 15. PLACED-IN-SERVICE.** The date when (a) Mechanical Completion has occurred, (b) all necessary governmental approvals for operation have been obtained, (c) all critical tests necessary for proper operation have been performed and system has been shown capable of operating in a reliable and continuous manner for its intended purpose, (d) synchronization of the system to the grid has occurred, and (e) an executed Standard Interconnection Agreement (or other final interconnection approval required by the Electric Utility for commercial operation) has been obtained and is in effect.
- 16. PROJECT SITE.** The property where the Project will be located.
- 17. RENEWABLE ENERGY CREDITS.** The environmental, economic, and social attributes of a unit of electricity, such as a megawatt hour, generated from renewable fuels that can be sold or traded separately.
- 18. STANDARD INTERCONNECTION AGREEMENT.** The contract form required for interconnection of a solar electric energy generation facility into the Electric Utility's distribution system.
- 19. SUBCONTRACTOR.** A person or entity who has a direct contract with the Contractor to perform a portion of the Scope of Work or Services in the Contract.
- 20. WARRANTY DATE.** The Placed-in-Service Date.
- 21. WARRANTY PERIOD.** The period of one year following the date that the Project is Placed-in-Service.
- 22. WORK.** All of Contractor's design, engineering, mobilization, construction and other services required by the Contract, including procuring and furnishing of materials, equipment, services and labor reasonably inferable from the Contract as set forth in Section B(1) herein. For the avoidance of doubt, Work does not include activities

undertaken by Contractor in connection with execution of this Contract prior to Annexation Approval.

## **B. SCOPE OF WORK, PROJECT SCHEDULE, NOTICE TO PROCEED, AND CONTRACTOR OBLIGATIONS**

### **1. SCOPE OF WORK**

The Scope of Work that Contractor is obligated to perform is as follows:

Contractor shall furnish all labor, materials, and equipment necessary for the turnkey design, construction, and installation of a solar array (the "Project") to be operated as an electric energy generation facility on the Project Site, subject to the inclusions and exclusions listed below, provided, however, that no Work shall be performed unless and until Annexation Approval has occurred and such Work has been authorized pursuant to a valid Notice to Proceed.

#### **INCLUSIONS:**

##### **Project Development, Design and Electric Utility Application:**

- a. Develop the Project;
- b. Furnish stamped civil, electrical, and structural stamped design drawings;
- c. Complete and submit all necessary applications and forms to Electric Utility.

##### **Construction and Interconnection:**

- a. Provide OSHA approved safety and set up prior to initiating work;
- b. Provide all equipment to manage materials specifically for use in the Scope of Work defined herein;
- c. Provide civil earthwork;
- d. Furnish and install all AC electrical gear, PV inverters, PV racking (Domestic C Piles), PV modules (Domestic), PV DC wiring, and above ground free air wiring tray (CAB System) as designated per manufacturer's specifications;
- e. Furnish and install all secondary wiring and conductor(s);
- f. Install concrete pad per Electric Utility specifications utilizing domestic steel (Note: Owner will be responsible for installing transformer to the pad, as well as everything upstream of primary terminations);
- g. Install Energy PowerTrack monitoring system;
- h. Furnish and install 6' galvanized chain link fencing with three strands of barbed wire;
- i. Provide start up and Owner training for the solar array; and
- j. Daily cleanup.

**EXCLUSIONS:**

Contractor's Scope of Work does not include the following:

- a. Remediation of unknown, concealed, or materially differing soil, environmental, or other subsurface conditions is excluded from the Contract Sum and shall be addressed, if required, via Change Order pursuant to Sections E(4) and E(10).
- b. Any vegetation maintenance, landscaping, or installation of privacy screens;
- c. Any painting of electrical equipment or facilities;
- d. Procurement or installation of the following:
  - a. Pad-mounted transformer (Note: Contractor to furnish and install concrete pad utilizing domestic rebar to achieve domestic content adder for Investment Tax Credit);
  - b. Primary conduit and fiber, including trenching and compaction;
  - c. Fiber and conduit to recloser/breaker, including trenching and compaction;
  - d. Overhead MV poles and conductor(s); and
  - e. Primary termination(s);
- e. Any underground conduiting running from solar electrical gear.

**2. PROJECT SCHEDULE.**

- a. No Performance Prior to Annexation:
  - i. Notwithstanding any other provision of this Contract, Contractor shall not commence any design, procurement, construction, or other Work prior to Annexation Approval.
- b. Post-Annexation Scheduling:
 

Following Annexation Approval, the Project Schedule shall be established and adjusted based on the scope and funding authorized in each Notice to Proceed. Contractor shall not be responsible for delays attributable to the timing or sequencing of Notices to Proceed or the availability of appropriated funds.

### 3. NOTICE TO PROCEED.

- a. Condition Precedent – Annexation. Annexation Approval is a condition precedent to any obligation of performance by either Party under this Contract. No Work of any kind shall be performed, and no costs shall be incurred, prior to satisfaction of this condition precedent.
- b. Notices to Proceed. Following Annexation Approval, Owner may issue one or more written Notices to Proceed authorizing Contractor to perform discrete portions of the Work.
- c. Funding Limitation. Each Notice to Proceed shall:
  - i. Identify the specific Work authorized;
  - ii. state a not-to-exceed dollar amount payable for such Work; and
  - iii. certify that such amount is supported by funds currently appropriated and lawfully available in compliance with the Kansas Cash Basis Law and Budget Law.
- d. No Obligation Beyond Authorized Amounts. Contractor shall have no obligation to perform Work in excess of the amount authorized in a Notice to Proceed, nor to perform Work in anticipation of future appropriations or financing.

### 4. CONTRACTOR OBLIGATIONS.

Contractor shall supervise and direct performance of Work at the Project Site using the degree of care, skill, and diligence in the performance of the Work, to assure such Work is performed in a good and workmanlike manner, consistent with industry standards for similar projects and circumstances in the same geographic area. Contractor shall be responsible for, and have control over, the means, methods, techniques, sequences, and procedures, and for coordinating all portions of the Work under the Contract, unless the Contract provides other specific instructions concerning these matters. The standard of care for all design professional services provided by Contractor within the Scope of Work shall be the care and skill ordinarily used by members of the applicable profession practicing under similar conditions at the same time and locality of the Project Site.

Unless otherwise specifically provided in the Contract, Contractor shall:

- a. Provide and pay for all labor, materials, tools, equipment, and machinery necessary for the proper execution of the Work.
- b. Pay sales, consumer, use, and other similar taxes which are legally enacted when bids are received or negotiations concluded whether or not effective or merely scheduled to go into effect and shall secure and pay for the building permit and other permits, licenses and inspections necessary for proper execution and completion of the Work.
- c. Pay for permits and fees that are directly related to the performance of the Work.

- d. Comply with, and give notices required by laws, ordinances, rules, regulations, and lawful orders of public authorities having jurisdiction or bearing on the Work.
- e. Provide Owner reasonable access to the Project Site to inspect Contractor's preparation and progress.
- f. Keep the Project Site and surrounding areas free from accumulation of waste materials or rubbish caused by Contractor's operations under the Contract.
- g. Conduct a final walk-through with the Owner.
- h. At Final Completion, Contractor shall remove all waste materials, rubbish, Contractor's tools, equipment, machinery, and surplus material.
- i. Provide close-out documents to Owner, including, as-built drawings, warranty information, O&M Manuals, and Owner training certificates, as applicable to the Scope of Work.

## **C. OWNER OBLIGATIONS**

### **1. TAX EXEMPTION**

Owner shall provide Contractor with a valid Kansas Project Exemption Certificate prior to issuance of the applicable Notice to Proceed to which such exemption applies.

### **2. DUTY TO COOPERATE.**

Owner shall, throughout Contractor's performance of the Work, cooperate with Contractor and perform Owner's responsibilities, obligations and services in a timely manner so as not to delay or interfere with Contractor's performance of its obligations under the Contract. This obligation includes Owner's responsibility to provide timely reviews and approvals of any submissions Contractor may require, Owner's responsibility to provide timely notice to Contractor of any work that Owner believes to be defective or not in compliance with this Contract, as well as Owner's responsibility to provide reasonable assistance to Contractor in obtaining permits, approvals and licenses as required.

### **3. INFORMATION ACCESS.**

Unless otherwise expressly stated herein, Owner shall promptly provide at its own cost and expense, for Contractor's information and use the following, all of which Contractor is entitled to rely upon in performing the Work:

- a. Surveys describing the property, boundaries, topography, and reference points for use during construction, including existing service and utility lines;
- b. Geotechnical studies describing subsurface conditions or any other information describing physical conditions at the Project Site;
- c. Temporary and permanent easements, zoning and other requirements and/or encumbrances affecting land use, or necessary to permit the performance of the Work; and
- d. A legal description of the Project Site.

Subject to Owner's consent, which shall not be unreasonably withheld, Owner agrees to provide Contractor with requested information relating to Owner's electric utility accounts, including Owner's rate schedules and tariff programs.

#### **4. UTILITY FORMS AND APPLICATIONS.**

Owner agrees to cooperate with Contractor in negotiations and submittal of any applicable forms and applications to Electric Utility, including by signing and returning any applicable forms in a timely manner.

#### **5. PROJECT SITE.**

Owner shall provide Contractor with timely and sufficient access to the Project Site as necessary for Contractor to perform the Work. Owner agrees to grant Contractor a temporary construction easement for the duration of the Work, including for the purpose of staging materials, equipment, and personnel.

Owner shall provide Contractor with adequate space on or adjacent to the Project Site for the staging and storage of materials and equipment, subject to Contractor's reasonable approval of the location and configuration of such space.

Owner represents and warrants that the Project Site does not contain any easements, including but not limited to utility easements (e.g., water, gas, or electric lines), that would interfere with the safe and efficient performance of the Work, including staging activities.

In the event any such easements are subsequently discovered that materially impact Contractor's ability to perform or stage the Work, Owner shall be responsible for the costs of removing or relocating the easements or procuring an alternative site suitable staging associated with the Work. Any resulting delay or cost impact shall be treated as a Change Order event under Sections E(10) and E(4).

### **D. CONTRACT SUM AND PAYMENT SCHEDULE**

The Parties acknowledge that Owner's payment obligations under this Contract are subject to the Kansas Cash Basis Law and the Kansas Budget Law. Owner shall be obligated to pay Contractor only for Funded Work authorized under a valid Notice to Proceed and shall incur no liability beyond funds lawfully appropriated and available at the time such Work is authorized.

#### **1. CONTRACT SUM.**

The Contract Sum for the Scope of Work shall be Five Million, Four Hundred Forty Thousand, Four Hundred Ninety-One Dollars **(\$5,440,491.00)**.

#### **2. PROJECT DEVELOPMENT FEE.**

Contractor shall provide an initial invoice to Owner for the Project Development Fee pursuant to the Project Development Consulting Agreement between the Parties dated

December 18, 2025 ("PDA Fee"). The amount of the Project Development Fee shall be Thirty-Nine Thousand, Seven Hundred Fifty Dollars (\$39,750), which amount is included in the Contract Sum. The Project Development Fee shall be earned upon the Contract Effective Date and shall be payable regardless of whether Annexation Approval is obtained. Payment of the Project Development Fee is not conditioned upon issuance of a Notice to Proceed or commencement of Work.

Contractor shall deliver the Project Development Fee invoice to Owner within ten (10) days of the Contract Effective Date, and Owner shall remit payment within ten (10) days of receipt of such invoice. If Annexation Approval is obtained and Work proceeds, the Project Development Fee shall be credited against the Contract Sum through the Schedule of Values.

**3. SCHEDULE OF VALUES.**

The Schedule of Values shall be used as the basis for preparation of progress invoices as set forth below with respect to the Scope of Work, and, except as otherwise set forth herein, shall establish the amount to be paid to Contractor on a percentage complete basis each month of the Project Schedule. The Schedule of Values establishes the relative value of various phases of the Work but does not authorize performance of any portion thereof. Each line item shall be billable only to the extent the corresponding Work has been expressly authorized in a valid Notice to Proceed.

Contractor shall invoice Owner pursuant to the following Schedule of Values:

Schedule of Values	Percentage	Amount
Project Development	10%	\$544,050
Design	25%	\$1,360,123
Procurement	25%	\$1,360,123
Construction	35%	\$1,904,170
Closeout	5%	\$272,025
<b>Total</b>	<b>100%</b>	<b>\$5,440,491.00</b>

#### **4. PAYMENT ADMINISTRATION.**

Contractor shall deliver to Owner a progress invoice on or before the 10<sup>th</sup> of each month, based on the Schedule of Values and percent complete as of the invoice date. Owner shall remit payment to Contractor on or before the 30<sup>th</sup> day of that same month.

#### **5. LATE PAYMENT AND INTEREST.**

If any payment due to Contractor by Owner is more than thirty (30) calendar days late from the due date, the Owner shall pay to Contractor an interest rate of eight percent (8%) per annum or the maximum allowed under applicable law, whichever is less, accruing from the date payment is due.

#### **6. CONTRACTOR RIGHT TO STOP WORK OR TERMINATE CONTRACT FOR NON-PAYMENT.**

- a. In the event that the Owner does not pay the Contractor all amounts due within 30 calendar days from the payment due date, Contractor may stop performing the Work until Contractor has received payment of the amount due. In the event the Work is stopped, the Project Schedule shall be extended appropriately, and the Contract Sum shall be increased by the amount of the Contractor's reasonable costs of shutdown, delay and start-up.
- b. In the event that the Work has been stopped for 30 calendar days or more pursuant to Section D(6)(a), Contractor may, upon seven (7) days' written notice to the Owner, terminate the Contract. If the Contractor terminates the Contract, Owner shall pay Contractor for all Work executed and for incurred costs related to the materials, equipment, tools, including reasonable overhead, profit, and damages.
- c. Exhaustion of Appropriated Funds. Contractor shall have the immediate right, upon written notice, to suspend performance if continued Work would exceed the amount authorized in a Notice to Proceed. Such suspension shall not constitute default, and the Project Schedule shall be adjusted accordingly.

#### **7. OWNER RIGHT TO WITHHOLD CONTRACTOR PAYMENT(S).**

If Owner believes that Contractor is not entitled to payment of all or part of an invoice as a result of one of the reasons listed below, it shall inform Contractor in writing at least five (5) days prior to the day payment is due. Owner shall identify the specific measures it requests Contractor perform to rectify Owner's concerns. If the Parties cannot resolve such concerns, Contractor may pursue its rights under the Contract. Payments may be withheld by the Owner only due to the following:

- a. Defects not remedied within the time periods set forth in Section E(6); and
- b. Repeated failure by Contractor to carry out the Scope of Work in accordance with the Contract.

However, in no event shall the Owner withhold payment of an amount greater than the disputed portion of an invoice.

## **8. FINAL PAYMENT.**

When the Contractor achieves Final Completion, Contractor shall submit a final invoice to Owner and Owner shall remit payment to Contractor within thirty (30) days from the date of the invoice. Final payment shall be due upon Final Completion and Acceptance and shall constitute a waiver of claims by Owner, except those arising from:

- a. Liens, claims, security interest or encumbrances arising out of the Contract, and which are unsettled;
- b. Failure of the Scope of Work to comply with the requirements of the Contract;
- c. Terms of any special warranties required by the Contract; or
- d. Latent defects not reasonably discoverable at the time of Final Completion.

If, after Mechanical Completion, Final Completion is delayed through no fault of Contractor or by issuance of Change Orders affecting Final Completion, the Owner shall, upon application by the Contractor, and without terminating the Contract, make payment of the balance due for that portion of the Scope of Work fully completed and accepted.

## **E. TERMS AND CONDITIONS**

The following Terms and Conditions are incorporated into and made part of this Contract and supersede and replace all conflicting terms contained in any attachment, exhibit, proposal document, or Owner contract terms.

### **1. MUTUAL OBLIGATIONS.**

Owner and Contractor commit at all times to cooperate fully with each other and proceed on the basis of trust and good faith, to facilitate timely performance of the Work and permit each Party to realize the benefits afforded under the Contract.

### **2. PERMITS & FEES.**

Contractor shall be responsible for securing all permits and paying all fees necessary and applicable to performance of the Work.

Owner shall secure and pay for necessary approvals, easements, assessments, and charges required for the use or occupancy of permanent structures or permanent changes of the Project Site.

### **3. DESIGN AND MODELING.**

Contractor shall design the Project using HelioScope advanced solar design software using the same weather data and other parameters that are used for the design and modeling of solar projects with Contractor's other clients, provided that all modeling results are predictive in nature only and do not constitute performance or production guarantees.

#### **4. SITE CONDITIONS; INSPECTION.**

Contractor has had or will have the opportunity to review available site information and to conduct reasonable site inspections. Contractor shall not be responsible for latent, concealed, or materially differing conditions not reasonably discoverable prior to execution of this Contract. Any such conditions shall constitute an event requiring a Change Order.

#### **5. WARRANTY.**

Contractor warrants to Owner that the materials and equipment installed by Contractor will be of good quality and free of defects in workmanship. Contractor warrants that the work will conform to the requirements of the Contract and will be free from Defects, except for those inherent in the quality of the Scope of Work required.

Contractor's warranty excludes remedy for damage or Defect caused by abuse or alterations to the work not executed by or on behalf of Contractor, improper or insufficient maintenance, improper operation, or normal wear and tear from normal and customary usage.

Upon Final Completion, Contractor shall transfer to Owner any manufacturer warranty, or warranties, to the extent permitted by the product manufacturer.

#### **6. DEFECTIVE WORK.**

Scope of Work materials or equipment not conforming to the requirements in Section E(5) may be considered a Defect. During the Warranty Period, Contractor shall repair or replace defective material or equipment and re-perform Work to correct any Defect promptly after receipt of written notification from the Owner to do so, unless Owner has previously given Contractor a written acceptance of such condition. The Owner shall give such written notice promptly after discovery of the condition. During the Warranty Period, if the Owner fails to notify the Contractor and give the Contractor an opportunity to make the correction, the Owner waives the rights to require correction by the Contractor and to make a claim for breach of warranty.

If within the Warranty Period, Contractor does not commence to perform remedial work within ten business (10) days following Contractor's receipt of notice from Owner that identifies Defective Work or after Contractor otherwise becomes aware of such Defective Work, Owner, upon thirty (30) calendar days' prior written notice to Contractor, may perform the remedial work itself or have the remedial work performed by another party. Owner will be entitled to the cost of said remedy from Contractor only to the extent such costs are reasonable, documented, and directly attributable to the Defective Work. Such corrective work shall not expand Contractor's warranty obligations beyond the Warranty Period.

#### **7. RENEWABLE ENERGY CREDITS.**

Any Renewable Energy Credit created as a result of electricity supplied by the Project shall be the property of the Owner, as the customer that generated the Renewable Energy Credit.

## **8. ROYALTIES, PATENTS.**

Contractor represents and warrants to Owner that the equipment and all specifications prepared or to be prepared by or on behalf of Contractor in connection with the Scope of Work will not infringe any patent, patent pending, trademark, copyright, or any other intellectual property rights.

Contractor shall pay all royalties and license fees, shall defend suits or claims for copyright infringement or patent rights, and shall hold Owner harmless from loss on account thereof. Owner shall give Contractor prompt written notice of any such action or proceeding and shall reasonably provide information and assistance in the defense of any suit or claim.

Contractor's hold harmless and defense obligations hereunder are not applicable to any loss based on infringement or violation of a patent or copyright (i) relating solely to a particular process or product of a particular manufacturer specified by Owner and not offered or recommended by Contractor to Owner; or (ii) arising from modifications to the Scope of Work by Owner or its agents after Final Completion. In the event a suit or claim is based upon events or modifications by Owner following Final Completion, Owner shall defend and hold harmless Contractor to the same extent Contractor is obligated to defend and hold harmless Owner above.

## **9. SUBCONTRACTS.**

Contracts between Contractor and any Subcontractor to the Contractor shall require each Subcontractor, to the extent of the Scope of Work to be performed by the Subcontractor, to be bound to Contractor by the terms of this Contract, and to assume all obligations and responsibilities with which Contractor, by virtue of this Contract, assumes with Owner.

## **10. CHANGES TO THE SCOPE OF WORK.**

Contractor and Owner may request changes to the Scope of Work within the general scope of the Contract consisting of additions, deletions, or modifications, whereby, the Contract Sum and Project Schedule shall be adjusted accordingly. Such changes in the Scope of Work shall be authorized by written Change Order that shall be mutually agreed to and signed by Owner and Contractor. The parties shall negotiate in good faith and use their best efforts to execute any Change Order. Contractor shall not be obligated to perform any changes absent a Change Order signed by both Parties.

The cost or credit to Owner from a change in the Scope of Work shall be determined by mutual agreement of the Parties and, in the absence of a mutual agreement being reached within a reasonable amount of time after the request for such Change Order was made, the cost or credit to Owner shall be decided by the dispute resolution process as provided in the Contract.

If Owner requests a proposal for a change in the Scope of Work from Contractor and subsequently elects not to proceed with the change, a Change Order shall be issued to reimburse Contractor for reasonable costs incurred for estimating services, design services, and other services involved in the preparation of proposed revisions to the Scope of Work. Contractor shall be entitled to suspend performance of any disputed change pending resolution without default.

## **11. DELAYS AND ADJUSTMENTS TO CONTRACT TIME AND CONTRACT SUM.**

If Contractor is delayed at any time in progress in performing its Work by changes ordered in the Scope of Work, a Force Majeure Event, by adverse government actions (including without limitation, the establishment of embargoes and tariffs), supply chain delays or other delays in materials or equipment procurement lead time not caused due to the fault of Contractor, or any other causes which are beyond the control of Contractor, including delays caused by the Electric Utility, Contractor shall be entitled to an extension of the Project Schedule and an adjustment in the Contract Sum for such reasonable time and amounts as arise out of or relate to such cause. Contractor shall provide reasonable written notice and supporting documentation. Owner shall respond within ten (10) business days, and failure to respond shall constitute acceptance of the time extension to the extent reasonably supported. Delays resulting from the timing of Annexation Approval, issuance of Notices to Proceed, or availability of appropriated funds shall be deemed Owner-caused delays.

In the event of any suspension or delay due to the acts or omissions of Owner, or Owner directives to stop the Work for any reason, through no fault of Contractor, the Project Schedule shall be extended to reflect such period of interruption, and the Contract Sum shall be equitably adjusted to recover Contractor's costs of demobilization, delay and remobilization related to such suspension or delay. Contractor agrees it will cooperate with Owner and mitigate such costs to the extent commercially reasonable.

## **12. SAFETY.**

Contractor shall be responsible for initiating, maintaining, and supervising safety precautions and programs which are reasonably within its control in connection with the performance of the Contract.

Contractor shall take reasonable precautions for safety of, and shall provide reasonable protection to prevent damage, injury or loss to:

- a. Employees involved in performing the Work and other persons who may be affected thereby,
- b. the Work and materials and equipment to be incorporated therein, and
- c. other property at the Project Site or adjacent thereto.

Contractor shall give notices and comply with applicable laws, ordinances, rules, regulations, and lawful orders of public authorities having jurisdiction and bearing on safety of persons and property and their protection from damage, injury or loss.

Contractor shall not be responsible for the functionality or operability of ANY life safety devices, equipment, or systems at the Project Site. Pre- and post-testing of any smoke, heat, fire detection, suppression and/or any other life safety security or alarm systems is not included in the Contractor's Scope of Work. Proper operation, functionality, testing, and certification of the aforementioned devices, equipment, and systems are and will remain the responsibility of the Owner.

### **13. HAZARDOUS MATERIALS.**

The Scope of Work to be performed by Contractor pursuant to this Contract, and the compensation to be paid to Contractor hereunder for the Scope of Work, expressly excludes any work or service of any nature associated or connected with the identification, abatement, cleanup, control or removal of environmentally hazardous materials.

"Hazardous Materials" include, but are not limited to, asbestos and PCBs discovered in or on the premises. Owner agrees that all duties and obligations in connection with any hazardous materials located in or on the premises, are strictly the responsibility of Owner. Owner warrants and represents to the best of Owner's knowledge there are no hazardous materials in or on the Project Site which will affect, be affected by, come in contact with, or otherwise impact upon or interfere with the Work to be performed by Contractor pursuant to the Contract.

Should Contractor become aware or suspect the presence of hazardous materials during the performance of its Work, Contractor will be authorized to cease working in the affected area immediately. Contractor will promptly notify Owner of the conditions discovered.

Should Contractor stop performing the Scope of Work because of the discovery or suspicion of hazardous materials, the Project Schedule will be extended to cover the period required for abatement, cleanup, or removal of the hazardous materials by Owner. Contractor will not be held responsible for any claims, damages, costs, or expenses of any kind associated with the period during which Contractor has stopped Work as a result of hazardous materials. If appropriate, Contractor will be entitled to an equitable adjustment of the Contract Sum for any increased costs or other charges incurred by Contractor in connection with the existence of its rights under this paragraph.

Owner will be responsible for taking all necessary steps to correct, abate, clean up, or control hazardous materials not addressed by Contractor in the Scope of Work in accordance with all applicable statutes and regulations. Owner specifically agrees, to the extent allowed by state law, to indemnify and to hold Contractor, its officers, agents and employees harmless from and against any and all claims, demands, damages, or causes of action in any way arising out of the release of hazardous materials into the air, soil, or any water system or water course, or any actions taken in connection with same, or any failure to act, except to the extent caused by Contractor's negligence or willful misconduct.

### **14. INSURANCE.**

#### **a. Contractor's Insurance.**

Contractor shall maintain limits and types of insurance coverage specified below and as may be required by applicable law and the Contract. Such insurance shall be with companies authorized to do business in the jurisdiction in which the Project Site(s) is located with an A.M. Best's rating of at least A- VII.

- i. Automobile Liability covering all owned, hired and other non-owned vehicles, with a combined single policy limit per accident of \$1,000,000;

- ii. Commercial General Liability on an occurrence form with limits not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, and \$2,000,000 aggregate for products-completed operations hazard;
- iii. Employer's Liability with policy limits of \$1,000,000 for bodily injury by disease, \$1,000,000 each accident for bodily injury, and \$1,000,000 each employee for bodily injury by disease;
- iv. Umbrella policy with limits of \$2,000,000;
- v. Professional Liability insurance with policy limits of \$2,000,000 per claim and in the aggregate.
- vi. Worker's Compensation at statutory limits.

Certificates of such insurance shall be provided to Owner prior to Contractor's mobilization to the Project Site.

To the fullest extent permitted by law, the Contractor will cause the Commercial General Liability policy to include (1) Owner as an additional insured for claims to the extent caused by the Contractor's negligent acts or omissions during the Contractor's performance of the Scope of Work; and (2) the Owner as additional insured for claims to the extent caused by the Contractor's negligent acts or omissions for which loss occurs during completed operations. The additional insured coverage shall be primary and non-contributory to any of the Owner's general liability insurance policies and shall apply to both ongoing and completed operations. To the extent commercially available, the additional insured coverage shall be no less than that provided by Insurance Services Office, Inc. (ISO) forms CG 20 10 04 13, CG 20 37 04 13.

The Contractor may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance.

- b. Owner's Insurance. Owner shall procure and maintain from insurance companies authorized to do business in the state where the Project Site is located:
  - vii. Employer's Liability with policy limits of \$1,000,000 for bodily injury by disease, \$1,000,000 each accident for bodily injury, and \$1,000,000 each employee for bodily injury by disease;
  - viii. Worker's Compensation at statutory limits;
  - ix. Commercial General Liability on an occurrence form with policy limits of \$2,000,000 each occurrence, \$2,000,000 general aggregate.
  - x. Business Auto insurance with limits of \$1,000,000 combined single limit including hired and non-owned auto.
  - xi. Property insurance upon the Project Site to the full insurable value of the Project Site, which shall remain in place throughout Contractor's performance of the Scope of Work at the Project Site.

- c. **Waivers of Subrogation.** The Owner and Contractor waive all rights against each other and any of their subcontractors, sub-subcontractors, agents, and employees, each of the other, for damages caused by fire, or other causes of loss, to the extent those losses are covered by and paid for by property insurance required by this Contract or other property insurance applicable to the Project Site, except such rights as they have to proceeds of such insurance. The Owner or Contractor, as appropriate, shall require similar written waivers in favor of the individuals and entities identified above from the Architect, Architect's consultants, Separate Contractors, subcontractors, and sub-subcontractors. The policies of insurance purchased and maintained by each person or entity agreeing to waive claims pursuant to this Section E(14)(c) shall not prohibit this waiver of subrogation. This waiver of subrogation shall be effective as to a person or entity (1) even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, (2) even though that person or entity did not pay the insurance premium directly or indirectly, or (3) whether or not the person or entity had an insurable interest in the damaged property. This waiver of subrogation does not apply to rights or claims that Contractor has or may have against its own subcontractors, sub-subcontractors, agents, or employees.
- d. **Adjacent Properties.** If the Owner insures properties, real or personal or both, at or adjacent to the Project Site by property insurance under policies separate from those insuring the Project, or if after final payment property insurance is to be provided on the Project Site through a policy or policies other than those insuring the Project Site during the construction period, to the extent permissible by such policies, the Owner waives all rights in accordance with the terms of Section E(14)(c) for damages caused by fire or other causes of loss covered by this separate property insurance.

#### **15. PUBLIC WORKS BOND.**

If the Contract Sum exceeds \$100,000, Contractor shall furnish a performance and payment bond with good and sufficient sureties in a sum not less than the Contract Sum, as conditioned and required by Kansas law. The bond required shall be filed with the clerk of the district court of the Project Site prior to issuance of the Notice to Proceed.

#### **16. FORCE MAJEURE.**

Except as specifically provided in this Contract, neither Party shall be considered in breach of this Contract or liable for any delay or failure to comply with this Contract if and to the extent that such delay or failure is caused by the occurrence of a Force Majeure Event; provided that the Party claiming relief as a result of the Force Majeure Event shall promptly (i) inform the other Party in writing of the existence and details of the Force Majeure Event; (ii) exercise all reasonable efforts to minimize delay caused by such Force Majeure Event;

- (iii) inform the other Party in writing of the cessation of such Force Majeure Event; and
- (iv) resume performance of its obligations hereunder as soon as practicable thereafter.

#### **17. LIMITATION OF LIABILITY.**

In no event shall Contractor be liable to Owner or to any third party for any loss of use, revenue, or profit, or for any consequential, incidental, indirect, exemplary, special, or punitive damages whether arising out of breach of contract, tort (including negligence), or otherwise. In no event shall Contractor's aggregate liability arising out of or related to this Contract, whether arising out of or related to breach of contract, tort (including negligence), or otherwise, exceed the Contract Sum regardless of the theory of recovery.

#### **18. INDEMNIFICATION.**

This Section shall be interpreted and enforced only to the extent permitted by applicable Kansas law.

- I. Contractor, to the fullest extent permitted by law, shall indemnify, hold harmless and (subject to subsection (c), defend) Owner, its officers, elected officials, agents, and employees from and against claims, losses, damages, liabilities, including attorneys' fees and expenses, for non-party bodily injury, sickness or death and non-party property damage or destruction (other than to the Work itself) but only to the extent caused by the negligent acts or omissions of Contractor, Subcontractors, or anyone employed directly or indirectly by any of them or anyone for whose acts any of them may be liable.
- II. Owner shall indemnify, hold harmless and (subject to subsection (c), defend) Contractor and any of Contractor's officers, directors, agents, and employees, from and against claims, losses, damages, liabilities, including attorneys' fees and expenses, for bodily injury, sickness or death, and property damage or destruction, but only to the extent caused by the negligent acts or omissions or willful misconduct of Owner, or anyone for whose acts Owner may be liable.
- III. Defense. A Party's duty to defend the other Party applies only to the extent the claim is alleged to be caused by the defending Party's negligence or willful misconduct and shall be limited in the same proportion as the indemnity obligation under subsections (a) and (b).
- IV. No indemnification for indemnitee negligence. In no event shall either Party be obligated to indemnify or defend the other Party for the negligence or willful misconduct of the Party seeking indemnity or any agent or employee thereof, consistent with Kansas law.

#### **19. TERMINATION OF THE CONTRACT.**

- i. Automatic Termination Upon Failure of Annexation Approval.
  - a. Annexation Approval is a condition precedent to any obligation of performance under this Contract. If Annexation Approval is not obtained, this

Contract shall automatically terminate without further obligation by either Party, except that Owner's obligation to pay the Project Development Fee shall survive, and neither Party shall be entitled to any additional compensation or damages.

ii. Owner's right to stop work for convenience.

- a. Following Annexation Approval and issuance of a Notice to Proceed, Owner may, without cause and for its convenience, order Contractor in writing to suspend performance of authorized Work. Any such suspension shall not exceed sixty (60) consecutive days or aggregate more than ninety (90) days during the duration of the Project.
- b. Contractor shall be entitled to an equitable adjustment of the Contract Sum and the Project Schedule if its cost or time to perform the Scope of Work has been adversely impacted by any suspension or stoppage of the Scope of Work by Owner. Any such adjustment of the Contract Sum shall include reasonable profit, overhead, and expenses.

iii. Owner's right to terminate for convenience.

Owner may, at any time, terminate this Contract for convenience upon ten (10) calendar days' written notice to Contractor. In the event of a termination for convenience by Owner under this section and with respect to all portions of the Scope of Work that is terminated, Owner shall pay to Contractor an amount equal to the following: (a) the contract value of all Work performed by Contractor and costs for all supplies, materials, and equipment which has been procured or purchased by Contractor for the Project up to the date of such termination and for which Contractor has not previously been paid, whether or not delivered to the Project Site; plus (b) Contractor's costs to demobilize from the Project Site, including leaving the Project Site in a clean and safe condition, and to preserve and protect the Work already in progress, including the equipment at the Project Site or in transit thereto; plus (c) reasonable overhead and profit, incurred by reason of such termination, but only to the extent to the portion of the work executed prior to the date of termination. Any termination for lack of lawful funding or appropriation shall be treated as a termination for convenience under this Section.

iv. Owner's right to perform and terminate for cause.

If Contractor persistently fails to (i) provide a sufficient number of workers, (ii) supply the materials required by this Contract, (iii) comply with applicable law, (iv) timely pay, without cause, Subcontractors, or (v) perform the Work with reasonable promptness and diligence to ensure it is done pursuant to the Project Schedule, as such schedule may be adjusted, then Owner, may provide written notice to Contractor that Owner intends to terminate the Contract unless the problem is cured, or commenced to be cured, within thirty (30) days of Contractor's receipt of such notice. If Contractor fails to cure, or reasonably commence to cure such problem, then Owner may declare Contractor in default and the Contract terminated by providing written notice to Contractor. Upon making such

declaration, Contractor will not be entitled to receive any further payments under the Contract until the Scope of Work is completed in accordance with the Contract. At such time, if the unpaid balance of the Contract Sum exceeds the cost and expense incurred by Owner in completing the Scope of Work, such excess shall be paid by Owner to Contractor. If Owner improperly terminates the Contract for cause, the termination for cause shall be converted to a termination for convenience.

v. Contractor's right to terminate for cause.

If Contractor's progress in performance of the Scope of Work has been stopped for sixty (60) consecutive calendar days or more than ninety (90) calendar days during the duration of the project, due to court order, at the direction of Owner under Owner's right to stop work for convenience, or due to Owner's failure to provide Contractor with any information, approvals, or permits that are Owner's responsibility under the Contract, Contractor may terminate the Contract and recover from Owner payment for all Work executed, including reasonable overhead and profit, costs incurred by reason of such termination, and damages (if applicable).

Any remedies provided for in this Section shall not be exclusive of any additional remedies available to a Party pursuant to the Contract, in equity or in the law.

## **20. APPLICABLE LAW; VENUE.**

The Contract shall be governed and construed in accordance with the laws of the State of Kansas, without regard to conflict-of-law principles. Venue for any dispute arising from this Contract shall be brought before a court of competent jurisdiction in Harper County, Kansas.

## **21. CLAIM AND DISPUTE RESOLUTION.**

Contractor and Owner shall first attempt to resolve disputes or disagreements through discussions between Contractor's and Owner's representatives.

If after meeting, the Owner and Contractor determine the dispute or disagreement cannot be resolved on terms satisfactory to both parties, any claim, dispute, or other matter in question arising out of or related to this Contract shall be subject to mediation as a condition precedent to the institution of legal or equitable proceedings by either Party. Owner and Contractor shall endeavor to resolve any claim, dispute, and any other matter in question between them by mediation.

Request for mediation by one Party shall be filed in writing with the other Party to this Contract. The mediation shall be held in the County where the Owner's Project Site is located, or at such other location as the Parties mutually agree.

In the event a dispute is submitted to mediation, the parties agree to equally split the mediator's fee and any filing fees. If it is necessary to file a lawsuit to reserve rights of the parties under an applicable statutory limitations period, the parties agree, nonetheless, to submit the dispute to mediation within thirty (30) days of filing of such lawsuit. Any

agreements reached in writing as a result of mediation shall be binding and enforceable as settlement agreements in courts having jurisdiction thereof.

## **22. NON-DISCRIMINATION.**

Contractor shall comply with all applicable federal and state nondiscrimination and equal employment opportunity requirements.

## **23. CASH BASIS; FUNDING LAW.**

The right of Owner to enter into this Contract is subject to the provisions of the Cash Basis Law (K.S.A. §10-1112 and §10-1113), the Budget Law (K.S.A. §79-2935), and all other laws of the State of Kansas. This Contract shall be construed and interpreted so as to ensure that Owner shall at all times stay in conformity with such laws.

## **24. THIRD-PARTY FINANCING.**

Owner may elect to fund payment of the Contract Sum in whole or in part through third-party financing. The availability, timing, or closing of such financing shall not be a condition precedent to Contractor's performance of Funded Work authorized under this Contract and shall not excuse Owner's obligation to pay for such Work.

## **25. PUBLIC RECORDS; CONFIDENTIALITY.**

- I. Public records. The Parties acknowledge that Owner is subject to the Kansas Open Records Act, K.S.A. §45-215 et seq. ("KORA"), and that records relating to this Contract may be subject to public disclosure unless an applicable exemption applies.
- II. Notice process. Contractor may designate specific portions of submittals as "Confidential" only where Contractor has a good-faith basis that an exemption applies. If Owner receives a request for records that include such designated material, Owner will, to the extent permitted by law and practicable within statutory response deadlines, provide Contractor notice and an opportunity to provide written support for withholding/redaction. Owner will make the final determination regarding disclosure. Owner does not guarantee confidentiality.
- III. Security-sensitive site information. Contractor shall not publicly disseminate non-public site security information or critical infrastructure location details provided by Owner, except as required for performance of the Work or as required by law. Owner may redact such information to the extent permitted under KORA exemptions.

## **26. ENTIRE CONTRACT.**

The Contract sets forth the entire understanding between the parties and supersedes all prior oral or written understandings relating to the subject matter herein. The Contract may not be altered or modified except by a written instrument signed by a duly authorized representative of each party. In the event of a conflict between the provisions of this Contract and any Exhibit, Schedule, or Attachment, the provisions of this Contract shall

control unless the conflicting document expressly states its intent to supersede this Contract. This Contract supersedes the Projected Development Agreement by and between the Parties, dated December 18, 2025, as well as any other agreements between the Parties relating to the Project.

#### **27. SEVERABILITY.**

If any provision of the Contract shall be held to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired thereby.

#### **28. INDEPENDENT PARTIES.**

Nothing herein shall be deemed to establish a relationship of principal and agent between Contractor and Owner, or any of their respective agents or employees, may not be construed as creating any form of legal association or arrangement that would impose liability upon one party for the act or failure to act of the other party.

#### **29. REPRESENTATIONS AND AUTHORIZATIONS**

Each Party warrants and represents to the other that:

- a. the signatories above are duly authorized to execute this Contract on behalf of the respective Party;
- b. it has all requisite power, authority, licenses, permits, and franchises, corporate or otherwise, to execute and deliver this Contract and perform its obligations hereunder;
- c. its execution, delivery, and performance of this Contract has been duly authorized by, or in accordance with, its internal policies and applicable law, and this Contract has been duly executed and delivered for it by the signatories so authorized and it constitutes its legal, valid, and binding obligation under applicable law; and
- d. it is authorized under the laws of Kansas to enter into this Contract, each transaction contemplated hereby, and to perform all of its obligations under this Contract.

**City of Anthony, Kansas**

**Entegrity Energy Partners, LLC**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Printed Name

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Title

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Title

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Date

\_\_\_\_\_  
Date

## EQUIPMENT LEASE PURCHASE AGREEMENT

**THIS EQUIPMENT LEASE PURCHASE AGREEMENT** (the “Agreement”), is dated as of May 28, 2026, between **CAPITAL ONE PUBLIC FUNDING, LLC**, a limited liability company organized and existing under the laws of the State of New York, as Lessor (“Lessor”), and the **CITY OF ANTHONY, KANSAS**, a municipal corporation, city and political subdivision existing under the laws of the State of Kansas, as Lessee (“Lessee”), wherein the parties hereby agree as follows:

**Section 1. Definitions.** The following terms will have the meanings indicated below unless the context clearly requires otherwise:

**“Acquisition Period”** means 36 months from the Commencement Date, which is the date that the escrow fund established under the related escrow agreement shall terminate, unless such date is extended in writing by Lessor and Lessee.

**“Agreement”** means this Equipment Lease Purchase Agreement and any other schedule, exhibit or escrow agreement made a part hereof by the parties hereto, together with any amendments to this Agreement.

**“Code”** means the Internal Revenue Code of 1986, as amended.

**“Commencement Date”** is the date when the term of this Agreement and Lessee’s obligation to pay rent commences, which date will be the earlier of (i) the date on which the Equipment is accepted by Lessee in the manner described in **Section 13**, or (ii) the date on which sufficient moneys to purchase the Equipment are deposited for that purpose with an escrow agent.

**“Equipment”** means the property described on the Equipment Schedule attached hereto as **Exhibit A**, and all replacements, substitutions, repairs, restorations, modifications, attachments, accessions, additions and improvements thereof or thereto and all insurance and/or proceeds therefrom.

**“Event of Default”** means an Event of Default described in **Section 35**.

**“Lease Term”** means the Original Term and all Renewal Terms, but ending on the occurrence of the earliest event specified in **Section 6**.

**“Lessee”** means the entity described as such in the first paragraph of this Agreement, its successors and its assigns.

**“Lessor”** means the entity described as such in the first paragraph of this Agreement, its successors and its assigns.

**“Maximum Lease Term”** means the Original Term and all Renewal Terms through the Renewal Term including the last Rental Payment Date set forth on the Payment Schedule.

**“Net Proceeds”** means the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including attorneys’ fees) incurred in the collection of such claim or award.

**“Original Term”** means the period from the Commencement Date until the end of the fiscal year of Lessee in effect at the Commencement Date.

**“Payment Schedule”** means the schedule of Rental Payments and Purchase Price set forth on **Exhibit B**.

**“Purchase Price”** means the amount set forth on the Payment Schedule that Lessee may, at its option, pay to Lessor to purchase the Equipment.

**“Renewal Terms”** means the optional renewal terms of this Agreement, each having a duration of one year and a term co-extensive with Lessee’s fiscal year.

**“Rental Payment Dates”** means the dates set forth on the Payment Schedule on which Rental Payments are due.

**“Rental Payments”** means the basic rental payments payable by Lessee pursuant to **Section 9**.

**“State”** means the State of Kansas.

**“Vendor”** means the manufacturer of the Equipment as well as the agents or dealers of the manufacturer from whom the Equipment is or has been purchased, as listed on **Exhibit A**.

**Section 2. Representations and Covenants of Lessee.** Lessee represents, warrants and covenants for the benefit of Lessor as follows:

(a) Lessee is a municipal corporation, city, and political subdivision duly organized and existing under the constitution and laws of the State. Lessee will do or cause to be done all things to preserve and keep in full force and effect its existence as a political subdivision. Lessee has a substantial amount of one or more of the following sovereign powers: (i) the power to tax, (ii) the power of eminent domain, and (iii) police power.

(b) Lessee is authorized under the constitution and laws of the State to enter into this Agreement and the transaction contemplated hereby and to perform all of its obligations hereunder.

(c) Lessee has been duly authorized to execute and deliver this Agreement by proper action and approval of its governing body at a meeting duly called, regularly convened and attended throughout by a requisite majority of the members thereof or by other appropriate official approval.

(d) This Agreement constitutes the legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

(e) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists at the Commencement Date.

(f) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current fiscal year to make the Rental Payments scheduled to come due during the Original Term, if any, and to meet its other obligations for the Original Term, and such funds have not been expended for other purposes.

(g) Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment hereunder.

(h) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the best knowledge of the Lessee, threatened against or affecting Lessee, nor to the best knowledge of Lessee is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Agreement or any other document, agreement or certificate which is used or contemplated for use in the consummation of the transactions contemplated by this Agreement or materially adversely affect the financial condition or properties of Lessee.

(i) All authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by Lessee of this Agreement or in connection with the carrying out by Lessee of its obligations hereunder have been obtained.

(j) The entering into and performance of this Agreement or any other document or agreement contemplated hereby to which Lessee is or is to be a party will not violate any judgment, order, law or regulation applicable to Lessee or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance on any assets of Lessee or the Equipment pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument to which Lessee is a party or by which it or its assets may be bound, except as herein provided.

(k) The Equipment described in this Agreement is essential to the function of Lessee or to the service Lessee provides to its citizens. Lessee has an immediate need for, and expects to make immediate use of, substantially all the Equipment, which need is not temporary or expected to diminish in the foreseeable future. The Equipment will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of Lessee's authority.

(l) Neither the payment of the Rental Payments hereunder nor any portion thereof is (i) secured by any interest in property used or to be used in a trade or business of a non-exempt person (within the meaning of Section 103 of the Code) or in payments in respect of such property or (ii) derived from payments in respect of property, or borrowed money, used or to be used in a trade or business of a non-exempt person (within the meaning of Section 103 of the Code). No portion of the Equipment will be used directly or indirectly in any trade or business carried on by any non-exempt person (within the meaning of Section 103 of the Code).

(m) Lessee will comply with all applicable provisions of the Code, including without limitation Sections 103 and 148 thereof, and the applicable regulations of the Treasury Department to maintain the exclusion of the interest components of Rental Payments from gross income for purposes of federal income taxation.

(n) Lessee will use the proceeds of this Agreement as soon as practicable and with all reasonable dispatch for the purpose for which this Agreement has been entered into. No part of the proceeds of this Agreement will be invested in any securities, obligations or other investments or used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of the execution and delivery of this Agreement, would have caused any portion of this Agreement to be or become an "arbitrage bond" within the meaning of Section 103(b)(2) or Section 148 of the Code and the applicable regulations of the Treasury Department.

(o) Lessee has never failed to pay payments coming due under any bond issue, lease purchase agreement, contract or other indebtedness obligation of Lessee.

(p) The useful life of the Equipment will not be less than the Maximum Lease Term.

(q) The application, statements and credit or financial information submitted by Lessee to Lessor are true and correct and made to induce Lessor to enter into this Agreement and the related escrow agreement, and Lessee has experienced no material change in its financial condition since the date(s) of such information.

(r) Lessee has provided Lessor with audited financial statements through December 31, 2024. Lessee has experienced no material change in its financial condition or in the revenues expected to be utilized to meet Rental Payments due under this Agreement since December 31, 2024.

(s) Lessee shall pay the excess (if any) of the actual costs of acquiring the Equipment under the Agreement over the amount deposited by Lessor in the escrow fund established under the related escrow agreement and interest earnings thereon.

(t) This Agreement has been designated as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Code.

(u) The Equipment is not a replacement, repair, substitution or proceeds of any equipment or personal property subject to a prior lien or security interest of a third party.

(v) Lessee is the fee owner of the real estate where the Equipment is and will be located and has good and marketable title thereto, and there exists no mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever on or with respect to such real estate.

(w) The capital cost that would be required to purchase the Equipment if paid for by cash would be \$4,962,161. Lessee has estimated and believes that the aggregate costs of the Equipment to be acquired, equipped and installed will not exceed the amount being provided by Lessor under this Agreement, together with other funds Lessee has available to pay such costs.

- (x) The annual average effective interest cost of this Agreement is 5.00% per annum.
- (y) No amount (assuming continuation of this Agreement through the Maximum Lease Term) is included in Rental Payments for service, maintenance, insurance and other charges exclusive of capital cost and interest cost.

**Section 3. Certification as to Arbitrage.** Lessee hereby represents as follows:

- (a) The estimated total costs of acquiring and installing the Equipment, together with any costs of entering into this Agreement that are expected to be financed under this Agreement, will not be less than the total principal portion of the Rental Payments.
- (b) Lessee has incurred, or will incur within six (6) months after the date hereof, a substantial binding obligation to a third party to spend at least 5% of proceeds of this Agreement to acquire the Equipment. The completion of the acquisition of the Equipment and the allocation of proceeds of this Agreement to expenditures will proceed with due diligence. At least 85% of the proceeds of this Agreement will be allocated to expenditures to acquire the Equipment within three (3) years after the Commencement Date hereof.
- (c) Lessee has not created or established, and does not expect to create or establish, any sinking fund or other similar fund (i) that is reasonably expected to be used to pay the Rental Payments, or (ii) that may be used solely to prevent a default in the payment of the Rental Payments.
- (d) The Equipment has not been and is not expected to be sold or otherwise disposed of by Lessee, either in whole or in major part, prior to the last maturity of the Rental Payments.
- (e) To the best of Lessee's knowledge, information and belief, the above expectations are reasonable.

**Section 4. Lease of Equipment.** Lessor hereby demises, leases and lets the Equipment to Lessee, and Lessee rents, leases and hires the Equipment from Lessor, in accordance with the provisions of this Agreement, for the Lease Term.

**Section 5. Lease Term.** The Original Term of this Agreement will commence on the Commencement Date and will terminate on the last day of Lessee's current fiscal year. The Lease Term may be continued, solely at the option of Lessee, at the end of the Original Term or any Renewal Term for an additional Renewal Term up to the Maximum Lease Term. At the end of the Original Term and at the end of each Renewal Term until the Maximum Lease Term has been completed, Lessee will be deemed to have exercised its option to continue this Agreement for the next Renewal Term unless Lessee has terminated this Agreement pursuant to **Section 6** or **Section 31**. The terms and conditions during any Renewal Term will be the same as the terms and conditions during the Original Term, except that the Rental Payments will be as provided in the Payment Schedule.

**Section 6. Termination of Lease Term.** The Lease Term will terminate upon the earliest of any of the following events:

- (a) the expiration of the Original Term or any Renewal Term of this Agreement and the nonrenewal of this Agreement in the event of nonappropriation of funds pursuant to **Section 8**;
- (b) the exercise by Lessee of the option to purchase the Equipment under the provisions of **Section 31** and payment of the Purchase Price and all amounts payable in connection therewith;
- (c) an Event of Default by Lessee and Lessor's election to terminate this Agreement under **Section 36**; or
- (d) the payment by Lessee of all Rental Payments authorized or required to be paid by Lessee hereunder during the Maximum Lease Term.

**Section 7. Continuation of Lease Term.** Lessee currently intends, subject to the provisions of **Section 8** and **Section 12**, to continue the Lease Term through the Original Term and all of the Renewal Terms and to pay the Rental Payments hereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all Rental Payments during the Original Term and each of the Renewal

Terms can be obtained. The responsible financial officer of Lessee will do all things lawfully within his or her power to obtain and maintain funds from which the Rental Payments may be made, including making provision for such Rental Payments to the extent necessary in each proposed annual budget submitted for approval in accordance with applicable procedures of Lessee and to exhaust all available reviews and appeals in the event such portion of the budget is not approved. Notwithstanding the foregoing, the decision whether or not to budget or appropriate funds or to extend this Agreement for any Renewal Term is solely within the discretion of the then current governing body of Lessee.

**Section 8. Nonappropriation.** Lessee is obligated only to pay such Rental Payments under this Agreement as may lawfully be made from funds budgeted and appropriated for that purpose during Lessee's then current fiscal year. In the event sufficient funds will not be appropriated or are not otherwise legally available to pay the Rental Payments required to be paid in the next occurring Renewal Term, as set forth in the Payment Schedule, this Agreement will be deemed to be terminated at the end of the then current Original Term or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination at least 90 days prior to the end of the then current Original Term or Renewal Term, but failure to give such notice will not extend the Lease Term beyond such Original Term or Renewal Term. If this Agreement is terminated in accordance with this Section, Lessee agrees, at Lessee's cost and expense, to peaceably deliver the Equipment to Lessor at the location or locations specified by Lessor. Lessor may exercise all available legal and equitable rights and remedies in retaking possession of the Equipment.

**Section 9. Rental Payments.** Lessee will pay Rental Payments from all legally available funds, in lawful money of the United States of America to Lessor in the amounts and on the dates set forth on the Payment Schedule, such payment to be made by wire or other form of electronic payment in accordance with written instructions provided by Lessor or, with Lessor's consent, by such other commercially reasonable method of payment. Rental Payments will be in consideration for Lessee's use of the Equipment during the fiscal year in which such payments are due. Any Rental Payment not received on or before its due date will bear interest at the rate of 10% per annum or the maximum amount permitted by law, whichever is less, from its due date.

In the event that it is determined that any of the interest components of Rental Payments may not be excluded from Lessor's gross income for purposes of federal income taxation, Lessee agrees to pay to Lessor promptly after any such determination and on each Rental Payment Date thereafter an additional amount determined by Lessor to compensate Lessor for the loss of such excludability (including without limitation, compensation relating to interest expense, penalties or additions to tax), which determination shall be conclusive absent manifest error.

**Section 10. Interest Component.** As set forth on the Payment Schedule, a portion of each Rental Payment is paid as, and represents payment of, interest.

**Section 11. Rental Payments To Be Unconditional.** Except as provided in Section 8, the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained herein shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense, for any reason, including without limitation any failure by the Vendor to deliver or install the Equipment or otherwise perform any of its obligations for whatever reason, including bankruptcy, insolvency, reorganization or similar event with respect to the Vendor or under the Vendor Agreement, disputes with Lessor or the Vendor of any of the Equipment, any defects, malfunctions, breakdowns or infirmities in the Equipment or any accident, condemnation or unforeseen circumstances or the failure of Lessor or any other person or entity to perform its obligations under this Agreement or any other agreement.

**Section 12. Rental Payments to Constitute a Current Expense of Lessee.** The obligation of Lessee to pay Rental Payments hereunder will constitute a current expense of Lessee, is from year to year and does not constitute a mandatory payment obligation of Lessee in any fiscal year beyond the then current fiscal year of Lessee. Lessee's obligation hereunder will not in any way be construed to be an indebtedness of Lessee in contravention of any applicable constitutional, charter or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor will anything contained herein constitute a pledge of the general credit, tax revenues, funds or moneys of Lessee.

**Section 13. Delivery, Installation and Acceptance of the Equipment.** Lessee will order the Equipment, cause the Equipment to be delivered and installed at the location(s) specified on **Exhibit A** and pay any and all delivery and installation costs in connection therewith. When the Equipment has been delivered and installed, Lessee will immediately accept the Equipment and evidence said acceptance by executing and delivering to Lessor a certificate of acceptance and payment request in substantially the form attached to the related escrow agreement in form and substance acceptable to Lessor. After it has been delivered and installed, the Equipment will not be moved from the location(s) specified on **Exhibit A** without Lessor's consent, which consent will not be unreasonably withheld.

**Section 14. Enjoyment of Equipment.** Lessor hereby covenants to provide Lessee with quiet use and enjoyment of the Equipment during the Lease Term, and Lessee will peaceably and quietly have and hold and enjoy the Equipment during the Lease Term, without suit, trouble or hindrance from Lessor, except as otherwise expressly set forth in this Agreement.

**Section 15. Right of Inspection.** Lessor will have the right at all reasonable times during regular business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

**Section 16. Use of the Equipment.** Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement. Lessee will obtain all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each item of the Equipment) with all applicable laws, regulations and rulings of any applicable legislative, executive, administrative or judicial body; provided, however, that Lessee may contest in good faith the validity or application of any such law, regulation or ruling in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest of Lessor in and to the Equipment or its interest or rights under this Agreement.

**Section 17. Maintenance of Equipment.** Lessee agrees that it will, at Lessee's own cost and expense, maintain, preserve and keep the Equipment in good repair, working order and condition. Lessor will have no responsibility to maintain, or repair or to make improvements or additions to the Equipment. If requested to do so by Lessor, Lessee will enter into a maintenance contract for the Equipment with Vendor.

**Section 18. Title to the Equipment.** During the Lease Term, title to the Equipment and any and all additions, repairs, replacements or modifications will vest in Lessee, subject to the rights of Lessor under this Agreement; provided that title will thereafter immediately and without any action by Lessee vest in Lessor, and Lessee will immediately surrender possession of the Equipment to Lessor upon (a) any termination of this Agreement other than termination pursuant to **Section 31** or (b) the occurrence of an Event of Default. It is the intent of the parties hereto that any transfer of title to Lessor pursuant to this Section will occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. Lessee will, nevertheless, execute and deliver any such instruments as Lessor may request to evidence such transfer. Lessee irrevocably designates, makes, constitutes and appoints Lessor and its assignee as Lessee's true and lawful attorney (and agent in-fact) with power, at such time of termination or times thereafter as Lessor in its sole and absolute discretion may determine, in Lessee's or Lessor's or such assignee's name, to endorse the name of Lessee upon any bill of sale, document, instrument, invoice, freight bill, bill of lading or similar document relating to the Equipment in order to vest title in Lessor and transfer possession to Lessor.

**Section 19. Security Interest.** To secure the payment of all of Lessee's obligations under this Agreement and to the extent permitted by law, Lessor retains a security interest constituting a first lien on the Equipment (as defined herein) and all insurance proceeds therefrom. Lessee agrees to execute such additional documents in form satisfactory to Lessor, that Lessor deems necessary or appropriate to establish and maintain its security interest. Lessee agrees that financing statements may be filed with respect to the security interest in the Equipment.

As further security therefor, Lessee grants to Lessor a first priority security interest in the cash and negotiable instruments from time to time comprising the escrow fund, if any, established under any related escrow agreement and all proceeds (cash and non-cash) thereof, and agrees with respect thereto that Lessor shall have all the rights and remedies of a secured party.

**Section 20. Personal Property; No Encumbrances.** Lessor and Lessee agree that the Equipment is and will remain personal property. The Equipment will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to such real estate or any building thereon. Upon the request of Lessor, Lessee will, at Lessee's expense, furnish a waiver of any interest in the Equipment from any party having an interest in any such real estate or building. Lessee shall not create, incur, assume or permit to exist any mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever on any of the real estate where the Equipment is or will be located or enter into any agreement to sell or assign or enter into any sale/leaseback arrangement of such real estate without the prior written consent of Lessor; provided, that if Lessor or its assigns is furnished with a waiver of interest in the Equipment acceptable to Lessor or its assigns in its discretion from any party taking an interest in any such real estate prior to such interest taking effect, such consent shall not unreasonably withheld.

**Section 21. Liens, Taxes, Other Governmental Charges and Utility Charges.** Lessee will keep the Equipment free and clear of all liens, charges and encumbrances, except those created under this Agreement. The parties to this Agreement contemplate that the Equipment will be used for a governmental or proprietary purpose of Lessee and, therefore, that the Equipment will be exempt from all property taxes and other similar charges. If the use, possession or acquisition of the Equipment is found to be subject to taxation in any form, Lessee will pay all taxes and governmental charges lawfully assessed or levied against or with respect to the Equipment. Lessee will pay all utility and other charges incurred in the use and maintenance of the Equipment. Lessee will pay such taxes and charges as the same become due; provided that, with respect to any such taxes and charges that may lawfully be paid in installments over a period of years, Lessee will be obligated to pay only such installments that accrue during the Lease Term.

**Section 22. Insurance.** At its own expense, Lessee will maintain (a) casualty insurance insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount at least equal to the then applicable Purchase Price of the Equipment, (b) liability insurance that protects Lessor from liability in all events in form and amount satisfactory to Lessor, and (c) workers' compensation coverage as required by the laws of the State; provided that, with Lessor's prior written consent, Lessee may self-insure against the risks described in clauses (a) and (b), to the extent permitted by law. All insurance proceeds from casualty losses will be payable as hereinafter provided. Lessee will furnish to Lessor certificates evidencing such coverage throughout the Lease Term. Lessee shall also provide or cause to be provided to Lessor payment and performance bonds from the Vendor, each naming Lessor as an additional obligee issued by a surety company rated "A" or better by AM Best in an amount equal to or greater than the cost of the Equipment.

All such casualty and liability insurance will be with insurers that are acceptable to Lessor, will name Lessor and its successors and assigns as a loss payee and additional insured and will contain a provision to the effect that such insurance will not be cancelled or modified materially without first giving written notice thereof to Lessor at least ten days in advance of such cancellation or modification. All such casualty insurance will contain a provision making any losses payable to Lessee and Lessor, as their respective interests may appear.

**Section 23. Advances.** In the event Lessee fails to maintain the insurance required by this Agreement, pay taxes or charges required to be paid by it under this Agreement or fails to keep the Equipment in good repair and operating condition, Lessor may (but will be under no obligation to) purchase the required policies of insurance and pay the cost of the premiums thereof, pay such taxes and charges and make such Equipment repairs or replacements as are necessary and pay the cost thereof. All amounts so advanced by Lessor will become additional rent for the then current Original Term or Renewal Term. Lessee agrees to pay such amounts with interest thereon from the date paid at the rate of 10% per annum or the maximum permitted by law, whichever is less.

**Section 24. Financial Information.** Upon request, Lessee shall furnish or cause to be furnished to Lessor, at Lessee's expense, as soon as available after the close of each fiscal year, the audited financial statement of Lessee at the close of and for such fiscal year, all in reasonable detail, with supporting schedules, audited by and with the report of Lessee's auditor (the "Audit"), which may be in electronic .pdf format. In the event the Audit is filed on the MSRB's "EMMA" website, to satisfy this requirement Lessee may email a link to the posted Audit to Lessor. In the event that the Audit is not available within

360 days after the close of such fiscal year, upon request from Lessor, Lessee will furnish unaudited financial statements to Lessor in the manner described in this Section, and will then supply the Audit immediately upon the availability thereof. The electronic audit or link may be sent to Lessor at the following email address (or such other email address as Lessor supplies to Lessee in writing): [copfinformation@capitalone.com](mailto:copfinformation@capitalone.com).

**Section 25. Release and Indemnification.** To the extent permitted by law, Lessee will indemnify, protect and hold harmless Lessor from and against any and all liability, obligations, losses, claims and damages whatsoever, regardless of cause thereof, and expenses in connection therewith (including, without limitation, counsel fees and expenses and any federal income tax and interest and penalties connected therewith imposed on interest received) arising out of or as the result of (a) the entering into this Agreement, (b) the ownership of any item of the Equipment, (c) the manufacturing, ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Equipment, (d) any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury or death to any person or (e) the breach of any covenant herein or any material misrepresentation contained herein. The indemnification arising under this paragraph will continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of the Lease Term for any reason.

**Section 26. Risk of Loss.** Lessee assumes, from and including the Commencement Date, all risk of loss of or damage to the Equipment from any cause whatsoever. No such loss of or damage to the Equipment nor defect therein nor unfitness or obsolescence thereof will relieve Lessee of the obligation to make Rental Payments or to perform any other obligation under this Agreement.

**Section 27. Damage, Destruction, Condemnation; Use of Proceeds.** If (a) the Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty, or (b) title to, or the temporary use of, the Equipment or any part thereof or the interest of Lessee or Lessor in the Equipment or any part thereof will be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment, unless Lessee has exercised its option to purchase the Equipment pursuant to **Section 31**. Any balance of the Net Proceeds remaining after such work has been completed will be paid to Lessee.

**Section 28. Insufficiency of Net Proceeds.** If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in **Section 27**, Lessee will either (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, or (b) purchase Lessor's interest in the Equipment pursuant to **Section 31**. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after purchasing the Equipment will be retained by Lessee. If Lessee will make any payments pursuant to this Section, Lessee will not be entitled to any reimbursement therefor from Lessor nor will Lessee be entitled to any diminution of the amounts payable under **Section 9**.

**Section 29. Disclaimer of Warranties.** **LESSOR MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR USE OR PURPOSE OF THE EQUIPMENT OR AGAINST INFRINGEMENT, OR ANY OTHER WARRANTY OR REPRESENTATION WITH RESPECT THERETO. IN NO EVENT SHALL LESSOR BE LIABLE FOR ANY ACTUAL, INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR THE EXISTENCE, FURNISHING, FUNCTIONING OR LESSEE'S USE OR MAINTENANCE OF ANY EQUIPMENT OR SERVICES PROVIDED FOR IN THIS AGREEMENT.**

**Section 30. Vendor's Warranties.** Lessee may have rights under the contract evidencing the purchase of the Equipment; Lessee is advised to contact the Vendor for a description of any such rights. Lessee hereby assigns to Lessor during the Lease Term all warranties and representations, express or implied, running from Vendor to Lessee. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee will not be in default hereunder, to assert from time to time whatever claims and rights (including without limitation warranties) related to the Equipment that Lessor may have against the Vendor. Lessee's sole remedy for the breach of any such warranty, indemnification or representation

will be against the Vendor, and not against Lessor. Any such matter will not have any effect whatsoever on the rights and obligations of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or availability of such warranties by the Vendor.

### **Section 31. Purchase Option; Prepayment.**

(a) *Purchase Option.* (i) Lessee will have the option to purchase the Equipment, on May 28, 2029, or any Rental Payment Date thereafter, upon giving written notice to Lessor at least 30 days before the date of purchase, at the following times and upon payment in full of (A) the Rental Payment and all other amounts then due hereunder, plus (B) the Purchase Price designated on the Payment Schedule for such purchase date multiplied by the premium percentage listed below for such purchase date:

<b>Period of Purchase/Prepayment</b>	<b>Premium Percentage</b>
On and after May 28, 2029, but before May 28, 2033	102%
On and after May 28, 2033, but before May 28, 2036	101.5%
On and after May 28, 2036	101%

(ii) In the event of substantial damage to or destruction or condemnation (other than by Lessee or any entity controlled by or otherwise affiliated with Lessee) of substantially all of the Equipment, on the day Lessee specifies as the purchase date in Lessee's notice to Lessor of its exercise of the purchase option, upon payment in full of the Rental Payment and all other amounts then due hereunder plus (A) the Purchase Price designated on the Payment Schedule for such purchase date if such purchase date is a Rental Payment Date or the Purchase Price for the immediately preceding Rental Payment Date if such purchase date is not a Rental Payment Date, and (B) if such day is not a Rental Payment Date, an amount equal to the portion of the interest component of the Rental Payment scheduled to come due on the following Rental Payment Date accrued from the immediately preceding Rental Payment Date to such purchase date, computed on the basis of a 360-day year of twelve 30-day months.

(b) *Prepayment in Part.* (i) Lessee will have the option to prepay in part outstanding principal components of Rental Payments, without payment of any prepayment premium, upon giving written notice to Lessor at least 30 days before the date of prepayment, on any time. The option prescribed in this **Section 31(b)(i)** shall (A) be exercised only on or prior to May 28, 2029, (B) be paid solely from federal investment tax credit proceeds received in connection with the acquisition and installation of the Equipment, and (C) be made in a maximum aggregate amount for all prepayments not exceeding \$2,000,000.

(ii) Lessee will have the option to prepay in part outstanding principal components of Rental Payments, without payment of any prepayment premium, upon giving written notice to Lessor at least 30 days before the date of prepayment, on any Rental Payment Date. The option prescribed in this **Section 31(b)(ii)** shall (A) be exercised not more than one time each calendar year, and (B) be made in an amount not exceeding \$400,000 in each calendar year.

(iii) In the event of any such prepayment under **Section 31(b)**, the Payment Schedule will be revised to reflect a principal reduction in inverse order of Rental Payment Dates and shall supersede and replace the initial Payment Schedule attached hereto as **Exhibit B**, as specified by Lessor and acknowledged by Lessee, without any further action by Lessor or Lessee.

(c) *Prepayment from Escrow Fund Monies.* Any funds not applied to pay costs of the Equipment and remaining in the escrow fund established under the related escrow agreement on the earliest of (i) the end of the Acquisition Period or (ii) upon receipt by the escrow agent under such escrow agreement of a duly executed certificate of acceptance and payment request identified as the final such request, shall, first be applied to all reasonable fees and expenses incurred by such escrow agent, if applicable, in connection with such escrow fund as evidenced by its statement forwarded to Lessor and Lessee; and, second be paid to Lessor, to be applied by Lessor on any Rental Payment Date to all or a portion of the Rental Payment due and owing in the succeeding twelve (12) months and any remaining amounts shall be applied by Lessor as prepayment to the remaining principal balance owing hereunder in inverse order of Rental Payment Dates, unless Lessor directs that payment of such amount be made in such other manner that, in the opinion of

nationally recognized counsel in the area of tax exempt municipal obligations satisfactory to Lessor, will not adversely affect the exclusion of the interest components of Rental Payments from gross income for federal income tax purposes. If any such amount is applied against the outstanding principal components of Rental Payments, the Payment Schedule attached hereto will be revised accordingly.

On the final Rental Payment Date, Lessee will be deemed to have exercised its option to purchase the Equipment, without requirement for written notice, upon payment in full of the Rental Payments then due, plus all other amounts due hereunder and not yet paid.

Upon the exercise of the option to purchase set forth above, title to the Equipment will be vested in Lessee, free and clear of any claim by or through Lessor.

**Section 32. Determination of Fair Purchase Price.** Lessee and Lessor hereby agree and determine that the Rental Payments hereunder during the Original Term and each Renewal Term represent the fair value of the use of the Equipment and that the amount required to exercise Lessee's option to purchase the Equipment pursuant to **Section 31** represents, as of the end of the Original Term or any Renewal Term, the fair purchase price of the Equipment. Lessee hereby determines that the Rental Payments do not exceed a reasonable amount so as to place Lessee under a practical economic compulsion to renew this Agreement or to exercise its option to purchase the Equipment hereunder. In making such determinations, Lessee and Lessor have given consideration to (a) the costs of the Equipment, (b) the uses and purposes for which the Equipment will be employed by Lessee, (c) the benefit to Lessee by reason of the acquisition and installation of the Equipment and the use of the Equipment pursuant to the terms and provisions of this Agreement, and (d) Lessee's option to purchase the Equipment. Lessee hereby determines and declares that the acquisition and installation of the Equipment and the leasing of the Equipment pursuant to this Agreement will result in equipment of comparable quality and meeting the same requirements and standards as would be necessary if the acquisition and installation of the Equipment were performed by Lessee other than pursuant to this Agreement. Lessee hereby determines and declares that the Maximum Lease Term does not exceed the useful life of the Equipment.

**Section 33. Assignment by Lessor.** Lessor's interest in, to and under this Agreement and the Equipment may be assigned and reassigned in whole or in part to one or more assignees by Lessor without the necessity of obtaining the consent of Lessee; and such assignment, transfer or conveyance shall be made only to (i) an affiliate of Lessor or (ii) banks, insurance companies, trusts, custodians, government entities, conduits or other financial institutions or their affiliates, but no such assignment, transfer or conveyance shall be effective as against Lessee unless and until Lessor has delivered to Lessee written notice thereof that discloses the name(s) and address(es) of the assignee(s) or the Lease Servicer (as hereafter provided). Nothing herein shall limit the right of Lessor or its assignees to sell, assign or grant participation interests in this Agreement to one or more entities listed in (i) or (ii); provided that if such assignment is made pursuant to a participation, custodial or similar agreement under which multiple ownership interests in this Agreement are created, it shall establish a single entity, owner, servicer or other fiduciary or agent to act on behalf of all of the holders of such participation interests (herein referred to as the "Lease Servicer") with respect to the rights and interests of such holders hereunder, including the exercise of rights and remedies thereunder upon the occurrence of an event of default or an event of non-appropriation, and further including the maintenance of a register by which a record of the names and addresses of such holders as of any particular time is kept and agrees, upon request of Lessee, to furnish such information to Lessee. Lessee will retain all notices of assignment as a register of all assignees and will make all payments to the assignee, assignees or Lease Servicer designated in such register. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements that may be reasonably requested by Lessor or any assignee to protect its interest in the Equipment and in this Agreement and agrees to the filing of financing statements with respect to the Equipment and this Agreement. Lessee will not have the right to and will not assert against any assignee any claim, counterclaim, defense, set-off or other right Lessee may have against Lessor.

**Section 34. Assignment and Subleasing by Lessee.** None of Lessee's right, title and interest in, to and under this Agreement and the Equipment may be assigned or encumbered by Lessee for any reason, except that Lessee may sublease all or part of the Equipment if Lessee obtains the prior written consent of Lessor and an opinion of nationally recognized counsel in the area of tax exempt municipal obligations satisfactory to Lessor that such subleasing will not adversely affect the exclusion of the interest components of the Rental Payments from gross income for federal income tax purposes. Any such sublease of all or part of the

Equipment will be subject to this Agreement and the rights of Lessor in, to and under this Agreement and the Equipment.

**Section 35. Events of Default Defined.** Subject to the provisions of **Section 8**, any of the following will be “Events of Default” under this Agreement:

(a) Failure by Lessee to pay any Rental Payment or other payment required to be paid hereunder at the time specified herein;

(b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in **Section 35(a)**, for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to Lessee by Lessor, unless Lessor will agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;

(c) Any statement, representation or warranty made by Lessee in or pursuant to this Agreement or its execution, delivery or performance will prove to have been false, incorrect, misleading or breached in any material respect on the date when made;

(d) Any provision of this Agreement will at any time for any reason cease to be valid and binding on Lessee, or will be declared to be null and void, or the validity or enforceability thereof will be contested by Lessee or any governmental agency or authority if the loss of such provision would materially adversely affect the rights or security of Lessor, or Lessee will deny that it has any further liability or obligation under this Agreement;

(e) Lessee will (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization or insolvency proceeding; or

(f) An order, judgment or decree will be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator of Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree will continue unstayed and in effect for any period of 30 consecutive days.

**Section 36. Remedies on Default.** Whenever any Event of Default exists, Lessor will have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) By written notice to Lessee, Lessor may declare all Rental Payments and other amounts payable by Lessee hereunder to the end of the then current Original Term or Renewal Term to be due;

(b) With or without terminating this Agreement, Lessor may enter the premises where the Equipment is located and retake possession of the Equipment or require Lessee at Lessee’s expense to promptly return any or all of the Equipment to the possession of Lessor at a place specified by Lessor, and sell or lease the Equipment or, for the account of Lessee, sublease the Equipment, holding Lessee liable for the difference between (i) the Rental Payments and other amounts payable by Lessee hereunder plus the applicable Purchase Price, and (ii) the net proceeds of any such sale, lease or sublease (after deducting all expenses of Lessor in exercising its remedies under this Agreement, including without limitation, all expenses of taking possession, storing, reconditioning and selling or leasing the Equipment and all brokerage, auctioneers’ and attorneys’ fees) provided that the amount of Lessee’s liability under this subparagraph (b) shall not exceed the Rental Payments and other amounts otherwise due hereunder plus the remaining Rental Payments and other amounts payable by Lessee to the end of the then current Original Term or Renewal Term;

(c) Lessor may provide written notice of the occurrence of an Event of Default to the escrow agent under the related escrow agreement, and the escrow agent shall thereupon promptly remit to Lessor the entire balance of the escrow fund established thereunder; and

(d) Lessor may take whatever other action at law or in equity may appear necessary or desirable to enforce its rights as the owner of the Equipment.

In addition, Lessee will remain liable for all covenants and indemnities under this Agreement and for all legal fees and other costs and expenses, including court costs, incurred by Lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to Lessor.

**Section 37. No Remedy Exclusive.** No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy will be cumulative and will be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default will impair any such right or power or will be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Agreement it will not be necessary to give any notice, other than such notice as may be required in this Agreement.

**Section 38. Notices.** All notices, certificates or other communications hereunder will be sufficiently given and will be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at the addresses immediately after the signatures to this Agreement (or at such other address as either party hereto will designate in writing to the other for notices to such party), to any assignee at its address as it appears on the register maintained by Lessee.

**Section 39. Binding Effect.** This Agreement will inure to the benefit of and will be binding upon Lessor and Lessee and their respective successors and assigns.

**Section 40. Severability.** In the event any provision of this Agreement will be held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

**Section 41. Entire Agreement.** This Agreement constitutes the entire agreement between Lessor and Lessee.

**Section 42. Amendments.** This Agreement may be amended, changed or modified in any manner by written agreement of Lessor and Lessee. Any waiver of any provision of this Agreement or any right or remedy hereunder must be affirmatively and expressly made in writing and will not be implied from inaction, course of dealing or otherwise.

**Section 43. Execution in Counterparts.** This Agreement may be simultaneously executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument.

**Section 44. Captions.** The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

**Section 45. Applicable Law.** This Agreement will be governed by and construed in accordance with the laws of the State. This Agreement is intended to constitute a valid "lease-purchase agreement" as defined in K.S.A. 10-1116b, and this Agreement is subject to and governed by the terms of the laws of the State and shall be construed to the greatest extent possible as complying with the terms thereof. Lessee is obligated only to pay periodic payments or monthly installments under this Agreement as may lawfully be made from funds budgeted and appropriated for that purpose during Lessee's current budget year.

**Section 46. Electronic Transactions.** The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

**Section 47. Role of Lessor.** Lessor is acting solely for its own loan account and not as a fiduciary for Lessee or in the capacity of broker, dealer, placement agent, municipal securities underwriter, municipal advisor or fiduciary. Lessor has not provided, and will not provide, financial, legal (including securities law), tax, accounting or other advice to or on behalf of Lessee (including to any financial advisor or any placement agent engaged by Lessee) with respect to the structuring, issuance, sale or delivery of this Agreement. Lessor has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to Lessee with respect to the transactions relating to the structuring, issuance, sale or delivery of this Agreement and the discussions, undertakings and procedures leading thereto. Each of Lessee and, if applicable, its financial advisor and its placement agent has sought and shall seek and obtain financial, legal (including securities law), tax, accounting and other advice (including as it relates to structure, timing, terms and similar matters and compliance with legal requirements applicable to such parties) with respect to this Agreement from its own financial, legal, tax and other advisors (and not from the undersigned or its affiliates) to the extent that Lessee and, if applicable, its financial advisor or its placement agent desires, should or needs to obtain such advice. The undersigned expresses no view regarding the legal sufficiency of its representations for purposes of compliance with any legal requirements applicable to any other party, including but not limited to Lessee's financial advisor or placement agent, or the correctness of any legal interpretation made by counsel to any other party, including but not limited to counsel to Lessee's financial advisor or placement agent, with respect to any such matters. The transactions between Lessee and Lessor are arm's length, commercial transactions in which Lessor is acting and has acted solely as a principal and for its own interest and Lessor has not made recommendations to Lessee with respect to the transactions relating to this Agreement.

**Section 48. Lessee's Notice Filings Related to this Agreement for SEC Rule 15c2-12.** In connection with Lessee's compliance with any continuing disclosure undertakings (each, a "Continuing Disclosure Agreement") entered into by Lessee on and after February 27, 2019, pursuant to SEC Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), Lessor acknowledges that Lessee may be required to file with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, or its successor ("EMMA"), notice that Lessee has incurred obligations under this Agreement and notice of certain subsequent events reflecting financial difficulties in connection with this Agreement. Lessee agrees that it shall not file or submit, or permit to be filed or submitted, with EMMA any documentation that includes the following unredacted sensitive or confidential information about Lessor or its affiliates: address and account information of Lessor or its affiliate, e-mail addresses, telephone numbers, fax numbers, names and signatures of officers, employees and signatories of Lessor or its affiliates, or any account information for any related escrow agreement, unless otherwise required for compliance with the Rule or otherwise required by law. Lessee acknowledges that Lessor is not responsible for Lessee's compliance or noncompliance with the Rule or any Continuing Disclosure Agreement.

[Signature page follows.]

**IN WITNESS WHEREOF**, Lessor and Lessee have caused this Agreement to be executed in each entity's name by their duly authorized officers as of the date first above written.

CAPITAL ONE PUBLIC FUNDING, LLC

By: \_\_\_\_\_  
Name: Catherine DeLuca  
Title: Vice President

Address: 300 Jericho Quadrangle, 3<sup>rd</sup> Floor  
Jericho, NY 11753

CITY OF ANTHONY, KANSAS

By: \_\_\_\_\_  
Name: Melinda Ewertz  
Title: City Clerk/Administrator

Address: 124 S. Bluff, P.O. Box 504  
Anthony, KS 67003

**CERTIFICATION**

I, the undersigned, do hereby certify (i) that the officer of Lessee who executed the foregoing Agreement on behalf of Lessee and whose genuine signature appears thereon, is the duly qualified and acting officer of Lessee as stated beneath such officer's signature and has been authorized to execute the foregoing Agreement on behalf of Lessee, and (ii) that the fiscal year of Lessee is from July 1 to June 30.

**DATED:** May 28, 2026.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A TO EQUIPMENT LEASE PURCHASE AGREEMENT**

**EQUIPMENT SCHEDULE**

**Equipment Description:**

The Equipment consists of all personal property acquired and installed in connection with the solar array improvements set forth in the \_\_\_\_\_, dated as of \_\_\_\_\_, 2026, between Lessee and Entegrity Energy Partners, as described in and at the locations listed therein, together with all replacements, substitutions, repairs, restorations, modifications, attachments, accessions, additions and improvements thereof or thereto and all insurance and/or proceeds therefrom. See also "Schedule 1 – Scope of Work" attached hereto for a further description of the Equipment.

**Equipment Locations:**

The Equipment will be located at approximately 37.081633 degrees North Latitude and 98.0011878 degrees West Longitude, with the following street address:

		Anthony	KS	67003
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**Vendor:**

The Vendor for the Equipment is Entegrity Energy Partners, 1403 E 6th Street, Little Rock, AR 72202.

This Equipment Schedule shall be deemed to be supplemented and amended by the descriptions of the Equipment included in the Certificate of Acceptance and Payment Requests submitted to Lessor for approval pursuant to the Escrow Agreement dated as of May 28, 2026, among Lessor, Lessee and Security Bank of Kansas City, as escrow agent, which descriptions shall be deemed to be incorporated herein.

## EXHIBIT B TO EQUIPMENT LEASE PURCHASE AGREEMENT

### PAYMENT SCHEDULE

Principal Amount: \$4,962,161

Interest Rate: 5.00%

Rental Payments will be made in accordance with **Section 9** and this Payment Schedule.

Year	Rental Payment Date	6/30 Fiscal Year Total	Total Rental Payment	Interest Portion	Principal Portion	Purchase Price *
1	7/15/2026					<u>\$4,962,161</u>
1	10/15/2026					
1	1/15/2027					
1	4/15/2027	\$				
2	7/15/2027					
2	10/15/2027					
2	1/15/2028					
2	4/15/2028					
3	7/15/2028					
3	10/15/2028					
3	1/15/2029					
3	4/15/2029					
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7	4/15/2033					
8	7/15/2033					
8	10/15/2033					
8	1/15/2034					
8	4/15/2034					
9	7/15/2034					
9	10/15/2034					
9	1/15/2035					
9	4/15/2035					
10	7/15/2035					

\* Lessee's option to purchase is subject to provisions of Section 31 of the Agreement.

Year	Rental Payment Date	6/30 Fiscal Year Total	Total Rental Payment	Interest Portion	Principal Portion	Purchase Price *
10	10/15/2035					
10	1/15/2036					
10	4/15/2036					
11	7/15/2036					
11	10/15/2036					
11	1/15/2037					
11	4/15/2037					
12	7/15/2037					
12	10/15/2037					
12	1/15/2038					
12	4/15/2038					
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17	4/15/2043					
18	7/15/2043					
18	10/15/2043					
18	1/15/2044					
18	4/15/2044					
19	7/15/2044					
19	10/15/2044					
19	1/15/2045					
19	4/15/2045					
20	7/15/2045					

\* Lessee's option to purchase is subject to provisions of Section 31 of the Agreement.

Year	Rental Payment Date	6/30 Fiscal Year Total	Total Rental Payment	Interest Portion	Principal Portion	Purchase Price *
20	10/15/2045					
20	1/15/2046					
20	4/15/2046					
Totals					<u>\$4,962,161</u>	

CITY OF ANTHONY, KANSAS

By: \_\_\_\_\_  
 Name: Melinda Ewertz  
 Title: City Clerk/Administrator

\* Lessee's option to purchase is subject to provisions of Section 31 of the Agreement.

## ESCROW AGREEMENT

LESSOR:  
 Capital One Public Funding, LLC  
 300 Jericho Quadrangle, 3<sup>rd</sup> Floor  
 Jericho, NY 11753  
 Attention: [copinformation@capitalone.com](mailto:copinformation@capitalone.com)

ESCROW AGENT:  
 Security Bank of Kansas City Email:  
 701 Minnesota Avenue, Suite 206  
 Kansas City, Kansas 66101  
 Attn: Corporate Trust  
 pgardner@securitybankkc.com

LESSEE:  
 City of Anthony, Kansas  
 124 S. Bluff, P.O. Box 504  
 Anthony, KS 67003

**THIS ESCROW AGREEMENT** (this “Escrow Agreement”) dated May 28, 2026 is entered into by and among Capital One Public Funding, LLC (“Lessor”), the City of Anthony, Kansas (“Lessee”), and Security Bank of Kansas City (the “Escrow Agent”).

Lessor and Lessee have heretofore entered into that certain Equipment Lease Purchase Agreement dated as of May 28, 2026 (the “Agreement”). The Agreement contemplates that certain equipment described therein (the “Equipment”) is to be acquired from the vendor(s) or manufacturer(s) thereof.

After acceptance of the Equipment by Lessee, the Equipment is to be leased by Lessor to Lessee pursuant to the terms of the Agreement.

The Agreement contemplates that Lessor will deposit with the Escrow Agent cash in the amount of \$4,962,161, to be held in escrow by the Escrow Agent and applied on the express terms and conditions set forth herein. Such deposit, together with all interest and additions received with respect thereto (hereinafter, the “Escrow Fund”), is to be applied from time to time to pay certain costs of acquiring and installing the Equipment (a portion of which may, if required, be paid prior to final acceptance of the Equipment by Lessee) and, if requested by Lessee, to pay certain costs of entering into the Agreement. The Escrow Fund Termination Date is May 28, 2029.

The parties desire to set forth the terms on which the escrow is to be created and to establish the rights and responsibilities of the parties hereto.

NOW, THEREFORE, the parties agree as follows:

1. The Escrow Agent hereby agrees to serve as escrow agent upon the terms and conditions set forth herein. The Escrow Agent agrees that the Escrow Fund shall be held irrevocably in trust for the account and benefit of Lessee and Lessor and all interest earned with respect to the Escrow Fund shall accrue to the benefit of Lessee and shall be applied as expressly set forth herein.

To the limited extent required to perfect the security interest granted by Lessee to Lessor in the cash and negotiable instruments from time to time comprising the Escrow Fund, Lessor hereby appoints the Escrow Agent as its security agent, and the Escrow Agent hereby accepts the appointment as security agent, and agrees to hold possession of such cash and negotiable instruments on behalf of Lessor.

2. On such day as determined to the mutual satisfaction of the parties (the “Commencement Date”), Lessor shall deposit with the Escrow Agent cash in the amount of \$4,962,161 to be held by the Escrow Agent on the express terms and conditions set forth herein. The Escrow Agent agrees to accept the deposit of the Escrow Fund by Lessor, and further agrees to hold the amount so deposited together with all interest and other additions received with respect thereto in escrow on the express terms and conditions set forth herein.

3. The Escrow Agent shall at all times segregate the Escrow Fund into an account maintained for that express purpose, which shall be clearly identified on the books and records of the Escrow Agent as being held in its capacity as Escrow Agent. Securities and other negotiable instruments comprising the Escrow Fund from time to time shall be held or registered in the name of the Escrow Agent (or its nominee).

The Escrow Fund shall not, to the extent permitted by applicable law, be subject to levy or attachment or lien by or for the benefit of any creditor of any of the parties hereto (except with respect to the security interest therein held by Lessor).

4. Lessee hereby directs the Escrow Agent to invest the cash comprising the Escrow Fund from time to time in Qualified Investments (as hereinafter defined). Interest or other amounts earned and received by the Escrow Agent with respect to the Escrow Fund shall be deposited in and comprise a part of the Escrow Fund. No investment shall be made that would cause the Agreement to be deemed to be an arbitrage bond within the meaning of Section 148(a) of the Internal Revenue Code of 1986, as amended (the "Code"). For purposes of this Section 4, the term "Qualified Investments" means (i) direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America ("United States Treasury Obligations"); (ii) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America; (iii) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America; (iii) money market funds, which funds may be funds of the Escrow Agent, and which funds are rated "AAAm" or "AAAm G" by Standard & Poor's. Based upon Lessee's prior review of investment alternatives, in the absence of further specific written direction to the contrary, the Escrow Agent is hereby authorized to invest such moneys in an eligible money market fund as described under (iii) of the definition of Qualified Investments. The Escrow Agent may conclusively rely upon Lessee's written investment directions as to both the suitability and legality of the directed investments and such written direction shall be deemed to be a certification to the Escrow Agent that such directed investments constitute Qualified Investments. The Escrow Agent shall have no responsibility with respect to monitoring or determining whether any investment directed by Lessee would cause the Agreement to be deemed to be an arbitrage bond within the meaning of Section 148(a) of the Code.

5. Lessor and Lessee hereby authorize the Escrow Agent to take the following actions with respect to the Escrow Fund:

a. From time to time, the Escrow Agent shall pay the vendor or manufacturer of the Equipment or Lessee or other payee upon receipt of the following: (i) a written request from Lessee (a "Certificate of Acceptance and Payment Request" in the form attached as **Exhibit A** to this Escrow Agreement duly executed by an Authorized Lessee Representative and approved for payment by Lessor by an Authorized Lessor Representative, (ii) the vendor(s) or manufacturer(s) invoice(s) specifying the acquisition price of the Equipment described in the Certificate of Acceptance and Payment Request, (iii) in the event that certain costs of entering into the Agreement are described in the Certificate of Acceptance and Payment Request, invoice(s) or other evidence specifying the amount(s) of such costs, and (iv) any additional documentation required by Lessor. The Escrow Agent has no duty to ascertain the correctness of any documents submitted in connection with any direction to disburse funds. An "Authorized Lessee Representative" shall be a person designated in the Incumbency Certificate attached hereto as **Exhibit B**, or on a subsequent Incumbency Certificate of Lessee received and acknowledged by Lessor and the Escrow Agent. An "Authorized Lessor Representative" shall be a person designated in the Certificate of Authorized Lessor Representatives" attached hereto as **Exhibit C**. Without limiting the foregoing, Lessor shall not be required to approve any such payment unless and until Lessee shall have provided or caused to be provided to Lessor (i) certificates of insurance evidencing coverage in accordance with Section 22 of the Agreement and satisfactory to Lessor and (ii) payment and performance bonds naming Lessor and its successors and assigns as an additional obligee and issued by a surety company rated "A" or better by AM Best in form and substance satisfactory to Lessor.

b. Upon receipt of a Certificate of Acceptance and Payment Request for payment of funds from the Escrow Fund, Lessor and the Escrow Agent may, but are not required to seek confirmation of such instructions by telephone call-back to any Authorized Lessee Representative designated on **Exhibit B** hereto, and Lessor and the Escrow Agent may rely upon the confirmations of anyone purporting to be such Authorized Lessee Representative. Notwithstanding the foregoing, Lessee agrees that neither the Escrow Agent nor Lessor shall have a duty to seek such confirmation, and shall have no liability for disbursement in accordance with the instructions contained in any Certificate of Acceptance and Payment Request submitted with signature of an Authorized Lessee Representative. The Escrow Agent shall confirm any Certificate of Acceptance and Payment Request by telephone call-back to the person or persons

designated for verifying such draw requests on **Exhibit C** (such person verifying the request shall be different than the person initiating the request). The persons and telephone numbers for call-backs may be changed only in writing actually received and acknowledged by Lessor and the Escrow Agent. The parties to this Escrow Agreement acknowledge that such security procedure is commercially reasonable.

c. It is understood that Lessor, the Escrow Agent and the beneficiary's bank in any funds transfer may rely solely upon any account numbers or similar identifying number provided by any party hereto to identify (i) the beneficiary, (ii) the beneficiary's bank, or (iii) an intermediary bank.

d. In the event that Lessor provides to the Escrow Agent written notice of the occurrence of an Event of Default or a nonappropriation by Lessee under the Agreement, the Escrow Agent shall thereupon promptly remit to Lessor the entire balance of the Escrow Fund after application of the Escrow Fund to all reasonable fees and expenses incurred by the Escrow Agent in connection herewith as evidenced by its statement forwarded to Lessor and Lessee.

e. Upon receipt by the Escrow Agent of a duly executed Certificate of Acceptance and Payment Request identified as the final such request, the remaining monies in the Escrow Fund shall, *first* be applied to all reasonable fees and expenses incurred by the Escrow Agent, if applicable, in connection herewith as evidenced by its statement forwarded to Lessor and Lessee; and, *second* be paid to Lessor, to be applied by Lessor on any Rental Payment Date to all or a portion of the Rental Payment due and owing in the succeeding twelve (12) months, and any remaining amounts shall be applied by Lessor as a prepayment to the remaining principal balance owing under the Agreement, at par, in inverse order of Rental Payment Dates, unless Lessor directs that payment of such amount be made in such other manner directed by Lessor that, in the opinion of nationally recognized counsel in the area of tax-exempt municipal obligations satisfactory to Lessor, will not adversely affect the exclusion of the interest components of Rental Payments from gross income for federal income tax purposes. If any such amount is used to prepay principal, the Payment Schedule attached to the Agreement will be revised accordingly as specified by Lessor.

f. Lessor and Lessee agree that the security procedures under this Section 5 are commercially reasonable.

g. In the event that the Escrow Agent makes any payment to any payee pursuant to this Escrow Agreement and for any reason such payment (or any portion thereof) is required to be returned to the Escrow Fund or is subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a receiver, trustee or other party under any bankruptcy or insolvency law, other federal or state law, common law or equitable doctrine, then the party who benefited from the payment to the payee shall repay to the Escrow Agent upon written request the amount so paid to the payee. The Escrow Agent shall not be liable to any party or any other person by reason of such payment.

6. The reasonable fees and expenses of the Escrow Agent incurred in connection herewith shall be the responsibility of Lessee in the amount of \$\_\_\_\_\_ for escrow services as described herein; plus any extraordinary expenses incurred by the Escrow Agent at the request of Lessor or Lessee, as set forth in **Schedule 1**.

7.

a. The Escrow Agent shall have no liability for acting upon any written instruction presented by Lessee and Lessor in connection with this Escrow Agreement which the Escrow Agent in good faith believes to be genuine. Furthermore, the Escrow Agent shall not be liable for any act or omission in connection with this Escrow Agreement except for its own gross negligence, willful misconduct or bad faith. The Escrow Agent shall not be liable for any loss or diminution in value of the Escrow Fund as a result of the investment decisions made pursuant to Section 4, at the written direction of Lessee. The Escrow Agent shall have only those duties and responsibilities as expressly set forth herein, and no other duty, obligation or covenant, fiduciary or otherwise, shall be implied or enforceable against the Escrow Agent by any person. The Escrow Agent may conclusively rely upon any notice, instruction, request or other instrument, not only as to its execution, validity and effectiveness, but also as to the trust and

accuracy of any information contained therein, which the Escrow Agent believes to be genuine and to have been signed or presented by the person purporting to sign the same.

b. Without limiting the effect of Section 7(a) hereof, the Escrow Agent shall have no obligation or liability to any other party hereto (or any person claiming through any of them): (i) to review, examine, enforce, administer or take notice of any agreement, instrument or document other than this Escrow Agreement; (ii) to determine whether any conditions precedent to a disbursement of moneys in the Escrow Fund, other than as set forth in Section 5, have been or will be satisfied or otherwise to investigate any notice received by the Escrow Agent hereunder; (iii) to evaluate or determine the validity or legality of any action or omission of any third party, including any federal or state bank regulator; (iv) to make any payment to the other parties or other payees set forth in written instructions received under Section 5 from any source other than moneys in the Escrow Fund, and no such payment shall be made if the amount of moneys on deposit in the Escrow Fund is inadequate; (v) to communicate with any person other than as expressly provided for in this Escrow Agreement; (vi) for any action or omission of the Escrow Agent taken or made upon the oral or written instructions of the parties hereto; (vii) for any other action or omission of, or for errors in judgment by, the Escrow Agent under or in connection with this Escrow Agreement taken or made in good faith and without gross negligence or willful misconduct; and (viii) for special, incidental, consequential, indirect or punitive damages in any event, even if the Escrow Agent has been advised or was otherwise aware of the likelihood of such loss or damages and regardless of the form of action.

c. If any portion of the Escrow Fund is at any time attached, garnished or levied upon, or otherwise subject to any writ, order, decree or process of any court, or in case disbursement of Escrow Fund is stayed or enjoined by any court order, the Escrow Agent is authorized, in its sole discretion, to respond as it deems appropriate or to comply with all writs, orders, decrees or process so entered or issued, whether with or without jurisdiction; and if the Escrow Agent relies upon or complies with any such writ, order, decree or process, it will not be liable to any of the parties hereto or to any other person or entity by reason of such compliance even if such order is reversed, modified, annulled, set aside or vacated.

8. To the extent permitted by law, Lessee hereby agrees to indemnify and save the Escrow Agent (including its directors, officers, employees, and affiliates) harmless against any losses, liabilities, costs, and expenses, including attorney fees and expenses which it may incur in the exercise and performance of its powers and duties hereunder (including those incurred in connection with successfully defending itself against any claim of gross negligence or willful misconduct and the enforcement of Lessee's obligations hereunder) and which are not due to the Escrow Agent's or Lessor's gross negligence or willful misconduct. No indemnification will be made under this Section or elsewhere in this Escrow Agreement for damages arising solely out of gross negligence or willful misconduct by the Escrow Agent (including its directors, officers, employees, and affiliates) or the Lessor, as finally adjudicated by a court of competent jurisdiction. Such indemnification shall survive the resignation or removal of the Escrow Agent and the termination of this Escrow Agreement.

9. The Escrow Agent may at any time resign by giving at least 30 days' prior written notice to Lessee and Lessor, but such resignation shall not take effect until the appointment of the successor Escrow Agent. The substitution of another bank or trust company to act as Escrow Agent under this Escrow Agreement may occur by written agreement of Lessor and Lessee. In addition, the Escrow Agent may be removed at any time, with 30 days' prior written notice, with or without cause, by instrument in writing executed by Lessor and Lessee. Such notice shall set forth the effective date of the removal. In the event of any resignation or removal of the Escrow Agent, a successor Escrow Agent shall be appointed by an instrument in writing executed by Lessor and Lessee. Such successor Escrow Agent shall indicate its acceptance of such appointment by an instrument in writing delivered to Lessor, Lessee and the predecessor Escrow Agent.

Upon the effective date of resignation or removal, the Escrow Agent will transfer the Escrow Fund then held by it to the successor Escrow Agent selected by Lessor and Lessee.

If the other parties are unable to agree upon a successor escrow agent within 30 days after such notice, the other parties hereby agree that either of them acting unilaterally shall apply to a court of competent jurisdiction for the appointment of a successor escrow agent or for other appropriate relief and

in the event the parties fail to do so, the Escrow Agent may so apply to a court of competent jurisdiction. The costs and expenses (including reasonable attorneys' fees and expenses) incurred by the Escrow Agent in connection with such proceeding shall be paid in accordance with Section 6.

10. The Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection for actions taken in reliance upon the opinion of such counsel.

11. In the event of any dispute with respect to the Escrow Fund, the interpretation of this Escrow Agreement or the rights and obligations of the parties hereunder, or to the propriety of any action contemplated by the Escrow Agent hereunder, or if the Escrow Agent in good faith is in doubt as to what action should be taken hereunder, then in any such case the Escrow Agent shall not be obligated to resolve the dispute or disagreement or to make any disbursement of all or any portion of the Escrow Fund, but may commence an action in the nature of an interpleader and seek to deposit such funds with a court of competent jurisdiction, and thereby shall be discharged from any further duty or obligation with respect to the Escrow Fund. The costs of such interpleader action shall be borne by Lessee. In the event Lessee shall fail on demand to reimburse the Escrow Agent for such costs, then Lessee irrevocably authorizes the Escrow Agent to deduct any such amounts from the Escrow Fund without any further notice or demand to any person. The Escrow Agent may, in its sole discretion in lieu of filing such action in interpleader, elect to cease to perform under this Escrow Agreement and to ignore all instructions received in connection herewith until the Escrow Agent has received a written notice of resolution signed by the parties to such dispute or disagreement or an order of a court of competent jurisdiction over the matter directing a disposition of the Escrow Fund.

12. This Escrow Agreement and the Escrow Fund established hereunder shall terminate upon (a) receipt by the Escrow Agent of the written notice from Lessor specified in Section 5(d) or Section 5(e) hereof or (b) the Escrow Fund Termination Date. The Escrow Fund Termination Date may be extended pursuant to written agreement between Lessor and Lessee, and acknowledgement by the Escrow Agent.

13. All notices hereunder shall be in writing, sent by certified mail, return receipt requested, or by mutually recognized overnight carrier addressed to the other party at its respective address shown on page 1 of this Escrow Agreement or at such other address as such party shall from time to time designate in writing to the other parties; and shall be effective on the date of receipt. The Escrow Agent shall have the right to accept and act upon any notice, instruction, or other communication, including any funds transfer instruction (each, a "Notice") received pursuant to this Escrow Agreement by electronic transmission (including by e-mail, facsimile transmission, web portal or other electronic methods) and shall not have any duty to confirm that the person sending such Notice is, in fact, the person he or she purports to be. Electronic signatures believed by the Escrow Agent to comply with the ESIGN Act of 2000 or other applicable law (including electronic images of handwritten signatures and digital signatures provided by DocuSign, Orbit, Adobe Sign or any other digital signature provider identified by any other party hereto and acceptable to the Escrow Agent) shall be deemed original signatures for all purposes. Each other party to this Escrow Agreement assumes all risks arising out of its use of electronic signatures and electronic methods to send Notices to the Escrow Agent, including without limitation the risk of Escrow Agent acting on an unauthorized Notice and the risk of interception or misuse by third parties. Notwithstanding the foregoing, the Escrow Agent may in any instance and in its sole discretion require that a Notice in the form of an original document bearing a manual signature be delivered to the Escrow Agent in lieu of, or in addition to, any such electronic Notice.

14. This Escrow Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns. No rights or obligations of the Escrow Agent under this Escrow Agreement may be assigned without the prior written consent of Lessor and Lessee, and any assignment of this Escrow Agreement by Lessor or Lessee shall not be effective until the Escrow Agent has confirmed that such assignee has provided satisfactory information to the Escrow Agent to satisfy the requirements of the USA PATRIOT Act or any other legislation or regulation to which the Escrow Agent is subject. Notwithstanding the foregoing, any company into which the Escrow Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Escrow Agent may sell or transfer all or substantially all of its municipal corporate trust business, shall be the successor to such Escrow

Agent without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

15. Except as provided in the next sentence, this Escrow Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and no waiver, consent, modification or change of terms hereof shall bind any party unless in writing signed by all parties. This Escrow Agreement is in addition to any related account applications and other account opening and authorizing documents and/or resolutions on file with Escrow Agent and such documents are hereby incorporated by reference into this Escrow Agreement (the "Account Agreements"). In the event that there are inconsistencies between this Escrow Agreement and any other Account Agreement, the terms of this Escrow Agreement shall control.

16. The Escrow Agent may employ agents, attorneys and accountants in connection with its duties hereunder (such costs to be paid as set forth in Section 6) and shall not be liable for any action taken or omitted in good faith in accordance with the advice of counsel, accountants or other skilled persons.

17. This Escrow Agreement shall be governed by and be construed and interpreted in accordance with the internal laws of the State of Kansas (the "State").

18. This Escrow Agreement may be executed in several counterparts, and each counterpart so executed will be an original. In addition, the parties agree that the transaction described herein may be conducted and related documents may be received, sent or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

**19. TO THE EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO EXPRESSLY WAIVES THE RIGHT TO TRIAL BY JURY IN RESOLVING ANY CLAIM OR COUNTERCLAIM RELATING TO OR ARISING OUT OF THIS ESCROW AGREEMENT.**

20. Lessee represents, warrants and covenants for the benefit of the Escrow Agent as follows:

a. Lessee is authorized under the constitution and laws of the State to enter into this Escrow Agreement and the transaction contemplated hereby and to perform all of its obligations hereunder.

b. Lessee has been duly authorized to execute and deliver this Escrow Agreement by proper action and approval of its governing body at a meeting duly called, regularly convened and attended throughout by a requisite majority of the members thereof or by other appropriate official approval.

c. This Escrow Agreement constitutes the legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

d. Lessee will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended, including without limitation Sections 103 and 148 thereof, and the applicable regulations of the Treasury Department. No part of the Escrow Fund shall be invested at Lessee's discretion in any securities, obligations or other investments or used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of the execution and delivery of the Agreement, would have caused any portion of the Agreement to be or become "arbitrage bonds" within the meaning of Section 103(b)(2) or Section 148 of the Code and the applicable regulations of the Treasury Department.

21. The parties acknowledge that in order to help the United States government fight the funding of terrorism and money laundering activities, pursuant to Federal regulations that became effective on October 1, 2003 (Section 326 of the USA PATRIOT Act) all financial institutions are required to obtain, verify, record and update information that identifies each person establishing a relationship or opening an account. The parties to this Escrow Agreement agree that they will provide to the Escrow Agent such information as it may request, from time to time, in order for the Escrow Agent to satisfy the requirements

of the USA PATRIOT Act or any other legislation or regulation to which it is subject, including but not limited to the name, address, tax identification number and other information that will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided.

22. Except as otherwise agreed by the Escrow Agent in writing, the Escrow Agent has no tax reporting or withholding obligation except to the Internal Revenue Service with respect to Form 1099-B reporting on payments of gross proceeds under Internal Revenue Code Section 6045 and Form 1099 and Form 1042-S reporting with respect to investment income earned on the Escrow Fund, if any. Lessor and Lessee shall provide the Escrow Agent a properly completed IRS Form W-9 or Form W-8, as applicable, for each payee hereunder. If requested tax documentation is not so provided, the Escrow Agent is authorized to withhold taxes as required by the United States Internal Revenue Code and related regulations.

23. The Escrow Agent will not be responsible for delays or failures in performance resulting from acts of God, strikes, lockouts, riots, acts of war or terror, epidemics, governmental regulations, fire, communication line failures, computer viruses, attacks or intrusions, power failures, earthquakes or any other circumstance beyond its control.

24. Nothing in this Escrow Agreement, express or implied, is intended to or will confer upon any person other than the signatory parties hereto any right, benefit or remedy of any nature whatsoever under or by reason of this Escrow Agreement.

25. None of the terms or conditions of this Escrow Agreement may be changed, waived, modified, terminated or varied in any manner whatsoever unless in writing duly signed by each party to this Escrow Agreement.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be duly executed as of the day and year first above set forth.

LESSOR: CAPITAL ONE PUBLIC FUNDING, LLC

By: \_\_\_\_\_  
Name: Catherine DeLuca  
Title: Vice President

LESSEE: CITY OF ANTHONY, KANSAS

By: \_\_\_\_\_  
Name: Melinda Ewertz  
Title: City Clerk/Administrator

ESCROW AGENT: SECURITY BANK OF KANSAS CITY  
KANSAS CITY, KANSAS

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**SCHEDULE 1 TO ESCROW AGREEMENT**

**ESCROW AGENT FEES**

**Initial Acceptance Fee, per account/agreement:**

\$ \_\_\_\_\_

The acceptance fee includes the review and execution of the documents related to the transaction and initial establishment of the accounts. Payable at the closing.

**Annual Escrow Agent Fee Per account/agreement:**

**waived**

The annual administration fee covers the routine duties of the Escrow Agent associated with the administration of the account. Administration fee is payable in advance and not subject to proration.

**Legal Fee & Expenses:**

We would be utilizing in-house counsel for the review of the governing documents, if required. Should there be substantive changes made to the form of Escrow Agreement initially circulated, then external counsel may be required. External Counsel Fees would be charged at cost. This fee quoted is per transaction, closing or supplement, barring any unforeseen complications or delays with the closing.

**Out-of-Pocket Expenses:**

**AT COST**

Includes all related expenses, including but not limited to: travel expenses associated with the closing, counsel fees and their disbursements.

**[Remainder of page intentionally left blank]**

**EXHIBIT A**

**FORM OF CERTIFICATE OF ACCEPTANCE AND PAYMENT REQUEST**

To: Capital One Public Funding, LLC  
Email: [copfinformation@capitalone.com](mailto:copfinformation@capitalone.com)

Security Bank of Kansas City, Kansas City, Kansas (the “Escrow Agent”), as escrow agent under that certain Escrow Agreement dated May 28, 2026 (the “Escrow Agreement”), by and among the City of Anthony, Kansas (“Lessee”), Capital One Public Funding, LLC (“Lessor”) and the Escrow Agent, is hereby requested to pay from the Escrow Fund established and maintained thereunder, the amount set forth below to the named payee(s). The amount shown is due and payable under a purchase order or contract (or has been paid by and not previously reimbursed to Lessee). The equipment and costs described below are (i) part or all of the Equipment listed in the Equipment Schedule to that certain Equipment Lease Purchase Agreement dated May 28, 2026 (the “Agreement”), between Lessor and Lessee, or (ii) costs incurred in entering into the Agreement:

DESCRIPTION OF EQUIPMENT OR FINANCING COST	AMOUNT	PAYEE*
--	--------	--------

Lessee hereby certifies and represents to and agrees with Lessor as follows: (i) the amount to be disbursed is not being paid in advance of the time, if any, fixed for any payment, and does not include any retained percentage entitled to be retained by Lessee at this time; (ii) no amount requested to be disbursed was included in any payment request previously filed with the Escrow Agent for which payment was actually made by the Escrow Agent; (iii) Lessee has made such investigation of such sources of information as are deemed necessary and is of the opinion that the applicable portion of the Equipment and related work has been fully paid for, and no claim or claims exist against the Lessee or the Vendor out of which a lien based on furnishing labor or material exists or might arise; (iv) acquisition and installation of the applicable portion of the Equipment for which payment is being requested has been completed in accordance with the terms and conditions of the related agreement between Lessee and the Vendor (the “Vendor Agreement”), and said applicable portion of the Equipment is suitable and sufficient for the expected uses thereof, however, this statement is made without prejudice to any rights against third parties which exist at the date hereof or which may subsequently come into being; (v) the amount remaining in the Escrow Fund will, after payment of the amount requested, be sufficient to pay the remaining costs of the Equipment; (vi) a present need exists for such Equipment for which payment is being requested, which need is not temporary or expected to diminish in the near future; (vii) such Equipment is essential to and will be used by Lessee only for the purpose of performing one or more governmental functions of Lessee consistent with the permissible scope of Lessee’s authority; (viii) the estimated useful life of such Equipment based upon the manufacturer’s representations and Lessee’s projected needs is not less than the term of lease with respect to such Equipment; (ix) Lessee has conducted such inspection and/or testing of such Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts such Equipment for all purposes as of the date of this Certificate; (x) such Equipment is covered by insurance in the types and amounts required by the Agreement; (xi) no Event of Default, as such term is defined in the Agreement, or nonappropriation under the Agreement, and no event which with the giving of notice or lapse of time or both, would become an Event of Default or nonappropriation under the Agreement, has occurred and is continuing on the date hereof; and (xii) sufficient funds have been appropriated by Lessee for the payment of all rental payments due under the Agreement during Lessee’s current fiscal year.

Based on the foregoing, the Escrow Agent is hereby authorized and directed to pay or cause to be paid, the manufacturer(s)/vendor(s), Lessee or other payee(s) the amounts set forth on the attached invoices from the Escrow Fund held under the Escrow Agreement in accordance with its terms.

\* If required, a current IRS Form W-9 for the payee is attached or an IRS Form W-9 has been previously submitted to the Escrow Agent.

The following documents are attached hereto and made a part hereof: (a) invoice(s) for costs being paid; (b) a current IRS Form W-9 for the payee (unless such IRS Form W-9 has been previously submitted to the Escrow Agent); and (c) lien waivers, if applicable.

IF REQUEST IS FOR REIMBURSEMENT, CHECK HERE . Lessee paid an invoice prior to the commencement date identified in the Agreement and is requesting reimbursement for such payment. A copy of evidence of such payment, together with a copy of Lessee's Declaration of Official Intent and any other evidence required by Lessor prior to Lessor's approval hereof that Lessee has satisfied the requirements for reimbursement set forth in Treas. Reg. 1.150-2, is hereby attached. Lessor's approval hereof shall evidence that Lessee has delivered to Lessor such required documentation.

IF REQUEST IS FINAL REQUEST, CHECK HERE . Lessee hereby certifies that (a) all of the Equipment described in the Agreement has been received in good condition and has been installed in accordance with the Vendor Agreement; (b) such Equipment is accepted **"AS-IS, WHERE-IS"**; (c) Lessee has inspected the Equipment, and determined that it is in good working order and complies with all purchase orders, contracts and specifications; (d) Lessee has fully and satisfactorily performed all covenants and conditions to be performed by it as of this date under the Agreement with regard to such Equipment; (e) Lessee waives any right to revoke its acceptance; and (f) the Equipment is fully insured in accordance with Section 22 of the Agreement. This certificate is made without prejudice to any rights against third parties which may exist as of the date hereof or which may subsequently come into being.

Date: \_\_\_\_\_, 20\_\_.

**Approved for Payment:**

CAPITAL ONE PUBLIC FUNDING, LLC,  
as Lessor

CITY OF ANTHONY, KANSAS,  
as Lessee

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT B**

**INCUMBENCY CERTIFICATE REGARDING  
AUTHORIZED LESSEE REPRESENTATIVES**

**ESCROW AGREEMENT  
DATED AS OF MAY 28, 2026, BY AND AMONG  
CAPITAL ONE PUBLIC FUNDING, LLC, AS LESSOR, THE  
CITY OF ANTHONY, KANSAS, AS LESSEE, AND  
SECURITY BANK OF KANSAS CITY, AS ESCROW AGENT**

The undersigned officer of the City of Anthony, Kansas (“Lessee”) hereby certifies that the persons listed below are each designated as an Authorized Lessee Representative of Lessee for the Escrow Agreement dated May 28, 2026 (the “Escrow Agreement”), among Lessee, Capital One Public Funding, LLC (“Lessor”) and Security Bank of Kansas City, Kansas City, Kansas, as escrow agent (the “Escrow Agent”), including but not limited to initiating and approving transactions under the Escrow Agreement and confirming such approvals through call-backs from Lessor and the Escrow Agent relating thereto, all on behalf of Lessee. Each such person is the current holder of the office or title indicated, and the signature set forth opposite the name of each such authorized representative is the true and correct specimen of such person’s signature:

**Name/Title/Telephone/Email**

**Specimen Signature**

Melinda Ewertz

Name

City Clerk/Administrator

Title

\_\_\_\_\_  
Telephone #

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Signature

**Name/Title/Telephone/Email**

**Specimen Signature**

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Telephone #

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Signature

Dated: May 28, 2026.

**CITY OF ANTHONY, KANSAS**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT C**  
**AUTHORIZED LESSOR REPRESENTATIVES**  
**FOR ESCROW AGREEMENT**

[To be provided by Lessor.]

Gilmore & Bell, P.C  
05/14/2026

**EXCERPT OF MINUTES OF MEETING  
OF THE GOVERNING BODY OF  
THE CITY OF ANTHONY, KANSAS  
HELD ON MAY 21, 2026**

The governing body of the City of Anthony, Kansas, met in regular session on May 21, 2026, at 5:00 p.m. at the regular meeting place in the City, the following Commissioners being present and participating, to-wit:

Absent:

The Mayor declared that a quorum was present and called the meeting to order.

(Other Proceedings)

\* \* \* \* \*

The matter of authorizing the City to enter into a lease-purchase transaction came on for consideration and was discussed.

Thereupon, Commissioner \_\_\_\_\_ introduced an Ordinance entitled as follows:

**AN ORDINANCE AUTHORIZING THE CITY OF ANTHONY, KANSAS, TO ENTER INTO A LEASE PURCHASE TRANSACTION, THE PROCEEDS OF WHICH WILL BE USED TO PAY THE COSTS OF ACQUIRING CERTAIN SOLAR EQUIPMENT IMPROVEMENTS TO THE CITY’S ELECTRIC UTILITY SYSTEM; AND TO APPROVE THE EXECUTION OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH.**

Thereupon, Commissioner \_\_\_\_\_ moved that said be passed. The motion was seconded by Commissioner \_\_\_\_\_. Said Ordinance was duly read and considered, and upon being put, the motion for the passage of said Ordinance was carried by the vote of the governing body, the vote being as follows:

Aye: \_\_\_\_\_

Nay: \_\_\_\_\_

Thereupon, the Mayor declared the Ordinance duly passed and the Ordinance was then duly numbered Ordinance No. S-326, and was signed by the Mayor and attested by the Clerk and it or a summary thereof was directed to be published one time in the official newspaper of the City.

\* \* \* \* \*

(Other Proceedings)

There being no further business to come before the meeting, on motion duly made, seconded and carried by unanimous vote, the meeting was adjourned.

**CERTIFICATE**

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the City of Anthony, Kansas, held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

\_\_\_\_\_  
Clerk

Gilmore & Bell, P.C  
05/14/2026

(Published in *THE ANTHONY REPUBLICAN* on May 27, 2026)

**ORDINANCE NO. S-326**

**AN ORDINANCE AUTHORIZING THE CITY OF ANTHONY, KANSAS, TO ENTER INTO A LEASE PURCHASE TRANSACTION, THE PROCEEDS OF WHICH WILL BE USED TO PAY THE COSTS OF ACQUIRING CERTAIN SOLAR EQUIPMENT IMPROVEMENTS TO THE CITY'S ELECTRIC UTILITY SYSTEM; AND TO APPROVE THE EXECUTION OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH.**

**WHEREAS**, under the constitution and statutes of the State of Kansas, particularly Article 12, Section 5 of the Kansas Constitution and K.S.A. 12-101 *et seq.*, the City of Anthony, Kansas (the "City") is empowered to enter into certain leases, lease purchase agreements and installment purchase agreements for the lease and/or acquisition of property; and

**WHEREAS**, K.S.A. 10-1116b provides in pertinent part that nothing in the provisions of K.S.A. 10-1101 *et seq.* (Kansas Cash Basis Law) shall prohibit a municipality from entering into a lease agreement, with or without an option to buy, or an installment-purchase agreement, if any of such agreements specifically state that the municipality is obligated only to pay periodic payments or monthly installments under the agreement as may lawfully be made from (a) funds budgeted and appropriated for that purpose during such municipality's current budget year or (b) funds made available from any lawfully operated revenue producing source; and

**WHEREAS**, the City has immediate need for acquisition and construction of a 2.25MW-AC/3MW-DC solar array (the "Equipment") to further its governmental and public purposes as contemplated by law, including to improve its electric utility system, but does not have sufficient moneys on hand legally available to purchase the Equipment for its use; and

**WHEREAS**, in order to facilitate the foregoing and to pay the cost thereof, it is necessary and desirable for the City to enter into an annually renewable Equipment Lease Purchase Agreement (the "Lease") with Capital One Public Funding, LLC (the "Lessor"), pursuant to which the City will lease the Equipment on a year-to-year basis from the Lessor, with an option to purchase the Lessor's interest in the Equipment, a form of which has been submitted to the governing body for review.

**NOW THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF ANTHONY, KANSAS, AS FOLLOWS:**

**Section 1. Authorization and Approval of Lease.**

(a) The Lease is hereby approved in substantially the form submitted to the governing body on the date hereof, with such changes therein as shall be approved by the Mayor, and which are consistent with the Term Sheet from the Lessor and previously approved by the City, the Mayor's execution of the Lease to be conclusive evidence of such approval.

(b) The obligation of the City to pay Rental Payments (as defined in the Lease) under the Lease is subject to annual appropriation and shall constitute a current expense of the City and shall not in any way be construed to be an indebtedness or liability of the City in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness or liability by the City, nor shall anything contained in the Lease constitute a pledge of the general tax revenues, funds or moneys of the City, and all provisions of the Lease shall be construed so as to give effect to such intent.

(c) The Mayor is hereby authorized and directed to execute and deliver the Lease on behalf of and as the act and deed of the City. The Clerk is hereby authorized to affix the City's seal to the Lease and attest said seal.

**Section 2. Further Authority.** The City shall, and the officials and agents of the City are hereby authorized and directed to, take such actions, expend such funds and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance and to carry out, comply with and perform the duties of the City with respect to the Lease, the other documents authorized or approved hereby and the Equipment.

**Section 3. Effective Date.** This Ordinance shall take effect and be in full force from and after its passage by the governing body, execution by the Mayor and publication in the official City newspaper.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

**PASSED** by the governing body of the City of Anthony, Kansas, this 21st day of May, 2026 and **SIGNED** by the Mayor.

---

Mayor

(SEAL)

ATTEST:

---

Clerk

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**CERTIFICATE**

I hereby certify that the foregoing is a true and correct copy of the original ordinance; that said Ordinance was passed on May 21, 2026; that the record of the final vote on its passage is found on page \_\_\_\_ of journal \_\_\_\_; and that the Ordinance or a summary thereof was published in the *The Anthony Republican* on May 27, 2026.

DATED: May 20, 2026.

---

Clerk

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**Exhibit 1**  
Master Services Agreement

**Task Order 2**

This Task Order dated as of \_\_\_\_\_ by and between the Kansas Municipal Energy Agency Mid-States (“KMEA MID-STATES”) and the City of Anthony, Kansas (“Customer”) relating to the provision of engineering, procurement and construction services as described herein, from KMEA MID-STATES, under the terms and conditions set forth in the Master Service Agreement for Engineering, Procurement and Construction Services dated as of July 15, 2025 between KMEA MID-STATES and the Customer and as follows:

**Governing**

**Agreement:** Master Service Agreement for Engineering, Procurement and Construction Services dated as of July 15<sup>th</sup>, 2025, between KMEA MID-STATES and the Customer.

**Scope of Work: New 25 kV feed to Solar Farm**

1. Switches: KMEA MID-STATES will furnish and install the following switches
  - a. Six new 600 amp station class blade disconnects, rated 38 kV
2. Breakers: KMEA MID-STATES will furnish and install the following breakers
  - a. One new 1200, Amp 38 kV, vacuum breaker
    - i. The breaker shall have interrupting capability of 20,000 Amps
    - ii. 125 volt DC close and trip
    - iii. 240 volt AC windup and will have provisions for manual windup
    - iv. Six 1200 amp multi-ratio bushing CT’s – two per phase – one set for metering and one set for relaying
    - v. Interrupting time shall be less than 8 cycles
3. Bus – KMEA MID-STATES will furnish and install
  - a. 3/4" Copper – rated 780 amps
    - i. 3 – 20’ sticks
4. Bus Fittings – KMEA MID-STATES will furnish and install
  - a. 3 – bronze tees with 3/4” main and 3/4” tap
  - b. 3 – terminals with 3/4” main and two hole flag
5. Relay – KMEA MID-STATES will furnish and install
  - a. 1 – SEL 751A relay
  - b. The relay will be connected to the City’s existing SCADA system

6. Overhead Line – The KMEA MID-STATES will furnish all of the poles, conductor, and miscellaneous hardware for the 25 kV overhead line from the substation to the pad-mounted transformer at the solar farm. The City will construct the line.
7. Conduit – KMEA MID-STATES will furnish and install
  - a. One 6” conduit from the overhead line to the padmount transformer
  - b. Below grade conduit will be schedule 40 PVC. All elbows turning up shall be galvanized rigid steel. All above ground conduit shall be galvanized rigid steel.
  - c. All necessary low voltage conduit for metering and control shall be furnished.
  - d. All conduit for low voltage metering and control shall be one and one half inch. Below grade conduit will be schedule 40 PVC. All elbows turning up shall be galvanized rigid steel. All above ground conduit shall be galvanized rigid steel.
  - e. All conduit containing medium voltage cable shall be at least four feet deep and encased in concrete.
  - f. All conduit containing 600 volt or less cable shall be at least twenty four inches deep and be encased in concrete.
8. Cable - KMEA MID-STATES will furnish and install
  - a. 1/0 copper, 25 kV, tape shielded, EPR, wet/dry cable per circuit
  - b. #2 neutral, 600 volt THHN insulation for each circuit
  - c. 1 Cold shrink termination kits sized for 1/0 25 kV cable
  - d. Three 25 kV load break elbows
  - e. 3 – 1/0 two hole lugs
9. Transformer
  - a. 2,500 kVA
  - b. Padmounted
  - c. HV: 24,940 volts delta
  - d. LV: 277/480 volts wye
  - e. Copper windings
10. Documentation: KMEA MID-STATES will furnish the following drawings in AutoCAD
  - a. Foundation Layout
  - b. Steel Drawings
  - c. Three line
  - d. Control Drawing
  - e. Three sets of as-built drawings
  - f. Three sets of instruction books for all new equipment
11. All equipment and materials furnished will be new

12. All equipment and materials furnished will conform to all applicable requirements of ANSI, NEMA, and IEEE. The completed installation shall satisfy all applicable requirements of the National Electrical Safety Code (ANSI Standard C -2).

**Estimate of Probable Cost: \$413,950**

**Contract Schedule:**

**Kansas Municipal Energy Agency**

**City of Anthony, Kansas**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: Mike Schmaderer

Name: \_\_\_\_\_

Title: Director of Engineering and Field Services

Title: \_\_\_\_\_

## Notice to Proceed

**Contract:** Solar Powered Electric Energy Generation Facility Design-Build Contract dated \_\_\_\_\_  
□, 2026

**Owner:** City of Anthony, Kansas

**Contractor:** Entegrity Energy Partners, LLC

### **1. Purpose of Notice**

This Notice to Proceed (“Notice”) is issued pursuant to Section B.3 of the Contract to authorize Contractor to perform the specific portions of the Work identified below, subject to the limitations and conditions set forth herein.

### **2. Condition Precedent Acknowledgment**

Owner hereby confirms that Annexation Approval, as defined in the Contract, has been obtained and is final, non-appealable, and no longer subject to administrative or judicial review.

### **3. Authorized Scope of Work**

Contractor is authorized to proceed only with the following portions of the Work (the “Authorized Work”): \_\_\_\_\_

Any Work not expressly listed above is not authorized under this Notice.

### **4. Not-to-Exceed Amount and Funding Certification**

The Authorized Work under this Notice is subject to a not-to-exceed amount of \$ \_\_\_\_\_.  
Owner hereby certifies that this amount is supported by currently appropriated and lawfully available funds and complies with the Kansas Cash Basis Law and Budget Law.

### **5. Schedule of Values and Invoicing**

The Authorized Work corresponds to the following Schedule of Values line items:

- a) Schedule of Values Phase: \_\_\_\_\_
- b) Amount Authorized: \_\_\_\_\_

Contractor may submit invoices only for Authorized Work performed pursuant to this Notice and in accordance with the Contract’s payment provisions.

### **6. Schedule and Coordination**

Contractor shall commence the Authorized Work immediately upon issuance of this Notice and shall prosecute the Authorized Work diligently, subject to the Contract and this Notice. Any schedule impacts resulting from the limited scope or funding of this Notice shall constitute Owner-caused delays under the Contract.

**7. No Expansion of Authorization**

This Notice (i) does not authorize Contractor to perform any Work beyond the Authorized Work; (ii) does not authorize Contractor to incur costs in anticipation of future Notices to Proceed; and (iii) does not obligate Owner to issue any additional Notice to Proceed. Future Work, if any, shall be authorized only by issuance of an additional written Notice to Proceed.

**8. Contract Continuation**

Except as expressly modified by this Notice, all terms and conditions of the Contract remain unchanged and in full force and effect.

**OWNER:**

CITY OF ANTHONY, KANSAS

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**ACKNOWLEDGED AND AGREED:**

ENTEGRITY ENERGY PARTNERS, LLC:

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_