

TRIPLETT WOOLF GARRETSON, LLC

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ORDINANCE NO. 1935

OF THE

GOVERNING BODY

OF THE

CITY OF ANDOVER, KANSAS

AUTHORIZING THE ISSUANCE OF

\$874,661.02

CITY OF ANDOVER, KANSAS  
TAXABLE INDUSTRIAL REVENUE BONDS  
SERIES 2024  
(EVERIDGE LLC)

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ORDINANCE NO. 1935

AN ORDINANCE AUTHORIZING THE CITY OF ANDOVER, KANSAS TO ISSUE ITS TAXABLE INDUSTRIAL REVENUE BONDS, SERIES 2024 (EVERIDGE LLC), IN THE AGGREGATE PRINCIPAL AMOUNT OF \$874,661.02 FOR THE PURPOSES OF (1) PURCHASING, ACQUIRING, CONSTRUCTING, FURNISHING AND EQUIPPING AN ADDITION TO AN EXISTING MANUFACTURING FACILITY, AND (2) PAYING CERTAIN COSTS OF ISSUANCE THEREOF; AND AUTHORIZING EXECUTION OF BOND DOCUMENTS RELATING TO ISSUANCE, PAYMENT, AND PURCHASE OF THE 2024 BONDS.

WHEREAS, the governing body of the City of Andover, Kansas (the “Issuer” or “City”) is authorized by K.S.A. 12-1740, *et seq.*, as amended (the “Act”), to purchase, acquire, construct, improve, furnish, equip, and install certain facilities (as defined in the Act) for agricultural, commercial, hospital, industrial, natural resources, recreational development, and manufacturing purposes, and to enter into lease and lease-purchase agreements with any person, firm or corporation for said facilities, and to issue revenue bonds for the purpose of paying the cost of any such facilities; and

WHEREAS, the Issuer has found and here confirms its findings that it is desirable in order to promote, stimulate and develop the general economic welfare, health and prosperity of the Issuer and the State of Kansas that the Issuer issue its Taxable Industrial Revenue Bonds, Series 2024 (Everidge LLC) in the aggregate principal amount of \$874,661.02 (the “2024 Bonds”), for the purposes of (i) purchasing, acquiring, constructing, furnishing, and equipping an addition to an existing manufacturing facility (the “Project”) located adjacent to the existing facilities located at 215 E. 13<sup>th</sup> Street in the City of Andover, Kansas (the “Existing Facilities,” and together with the Project herein referred to as the “Facilities”), and (ii) paying certain costs of issuance of the 2024 Bonds; and

WHEREAS, the Tenant has an existing interest in the Project Site which will be leased to the Issuer pursuant to a Site Lease Agreement, dated as of November 1, 2024 (the “Site Lease”); and

WHEREAS, the Facilities shall be leased by the Issuer to Everidge LLC, a Delaware limited liability company authorized to do business in the State of Kansas (the “Tenant”), pursuant to a Lease Agreement, dated as of November 1, 2024 (the “Lease”), by and between the Issuer and the Tenant; and

WHEREAS, the 2024 Bonds and the interest thereon are not an indebtedness of the Issuer within the meaning of any constitutional provision or statutory limitation, shall not constitute nor give rise to a pecuniary liability of the Issuer, nor shall any 2024 Bond or the interest thereon be a charge against the general credit or taxing powers of the Issuer, but shall be payable solely from certain fees, rentals, revenues and other amounts derived by the Issuer pursuant to the Lease and,

under certain circumstances, from the proceeds of the 2024 Bonds and insurance and condemnation awards; and

WHEREAS, the Issuer further finds in connection with issuance of the 2024 Bonds that it is necessary to authorize the execution and delivery of various Bond Documents, as described in this Ordinance.

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

Section 1. Definition of Terms. All terms and phrases not otherwise defined herein shall have the respective meanings set forth in the Indenture and the Lease (each as defined and authorized by this Ordinance).

Section 2. Authority for Project. The governing body of the Issuer declares that the Project (as defined above) will promote the welfare of the Issuer. The Issuer is authorized to cause the Project to be purchased, acquired, constructed, furnished, and equipped, all in the manner and as more particularly described in the Indenture and in the Lease.

Section 3. Authorization and Security for the 2024 Bonds. The 2024 Bonds are authorized and directed to be for the purpose of financing the costs of (i) purchasing, acquiring, constructing, furnishing, and equipping the Project, and (ii) paying certain costs of issuance of the 2024 Bonds.

The 2024 Bonds shall be issued in the form and subject to terms prescribed in the Indenture shall be subject to the provisions, covenants and agreements set forth in the Indenture. The 2024 Bonds shall be on a parity with, and equal to, one another and with any Additional Bonds which may be issued within the meaning and pursuant to the terms and provisions of the Indenture. The 2024 Bonds and any Additional Bonds (herein the "Bonds") are special limited obligations of the Issuer payable solely from certain revenues derived by the Issuer pursuant to the Lease and the Project shall be pledged and assigned to the Trustee (as hereinafter defined) as security for the 2024 Bonds, all as defined herein and further described in the Indenture. The 2024 Bonds shall not be general obligations of or constitute a pledge of the faith and credit of the Issuer within the meaning of any constitutional or statutory provision and shall not be payable in any manner from tax revenues.

Section 4. Authorization of Bond Documents. The Issuer is authorized to enter into and deliver the following documents (the "Bond Documents"):

A. A Trust Indenture, dated as of November 1, 2024 (the "Indenture"), by and between the Issuer and Security Bank of Kansas City, Kansas City, Kansas, as Trustee (the "Trustee"), for the purpose of issuing and securing the 2024 Bonds as described therein and under which the Issuer pledges and assigns to the Trustee, for the benefit of the holders of the 2024 Bonds, the Trust Estate created by the Indenture; and

B. A Lease Agreement, dated as of November 1, 2024, by and between the Issuer, as landlord, and the Tenant, as lessee, pursuant to which the Issuer causes the Project to be acquired, constructed, equipped, furnished, and the Facilities to be leased to the Tenant in consideration of payments of Basic Rent, Additional Rent and other charges provided for therein; and

C. A Site Lease Agreement, dated as of November 1, 2024, by and between the Tenant, as lessor, and the Issuer as lessee, in which the Tenant leases its interests in the Project Site and the Existing Facilities to the Issuer; and

D. A Bond Purchase Agreement, dated as of November 1, 2024, providing that the 2024 Bonds shall be issued and sold to Everidge LLC, as Bond Purchaser (the "Purchaser"), subject to satisfaction of all conditions precedent to issuance of the 2024 Bonds and upon the terms and subject to the provisions and conditions of the Bond Purchase Agreement, by and among the Issuer, the Purchaser, and the Tenant; and

E. An Agreement for Payment in Lieu of Taxes, dated November 1, 2024, between the Issuer and the Tenant and requiring certain payments in lieu of taxes from the Tenant during the term of the 2024 Bonds.

F. All other documents, certificates, and instruments necessary to issue and secure the 2024 Bonds as described herein and comply with and carry out the intent of this Ordinance and the other Bond Documents described above, as determined by the Issuer, upon advice of counsel.

**Section 5. Authorization of Form of Documents.** The Issuer approves and consents to the form of the following document(s):

A. Guaranty Agreement, dated as of November 1, 2024, by and between the Tenant, and the Trustee, pursuant to which the Tenant, guarantees to the Purchaser the full and prompt payment of the principal of, redemption premium, if any, and interest on the 2024 Bonds.

B. Direct Pay Agreement, dated as of November 1, 2024 by and among the Purchaser, the Trustee, and the Tenant.

**Section 6. Execution of 2024 Bonds and Bond Documents.** The Mayor is authorized and directed to execute each of the 2024 Bonds and deliver them to the Trustee for authentication on behalf of and as the act and deed of the Issuer as provided in the Indenture. The Mayor or, President of Council is further authorized and directed to execute and deliver the 2024 Bonds and Bond Documents on behalf of and as the act and deed of the Issuer, in substantially the form presented with this Ordinance, with such minor corrections or amendments as are approved by the Mayor or, President of Council, in consultation with Bond Counsel, with such approval shall be evidenced by his/her execution thereof, and all other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the purposes and intent of this Ordinance. The City Clerk or Deputy City Clerk is authorized and directed to attest the execution

of the 2024 Bonds and the Bond Documents, and all other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

Section 7. Pledge of the Facilities. The Issuer pledges the Facilities, and its net earnings from the Facilities to the payment of the 2024 Bonds in accordance with K.S.A. 12-1744. The lien created by such pledge shall be discharged when all of the 2024 Bonds and any Additional Bonds issued under the Indenture are deemed paid within the meaning of the Indenture.

Section 8. Further Authority. The Issuer shall, and the officers, agents and employees of the Issuer are further authorized and directed to, take such action and prepare or execute such other documents, certificates and instruments, as may be necessary or desirable to carry out and comply with the provisions of this Ordinance and to carry out, comply with and perform the duties of the Issuer with respect to the 2024 Bonds and the Bond Documents, all as necessary to carry out and give effect to the transactions contemplated by this Ordinance and the Bond Documents.

Section 9. Effective Date. This Ordinance shall take effect and be in full force from and after its adoption by the governing body of the Issuer and publication once in the official newspaper of the Issuer.

*[Remainder of Page Intentionally Left Blank]*

PASSED, ADOPTED AND APPROVED by the governing body of the City of Andover, Kansas on the 29th day of October, 2024.



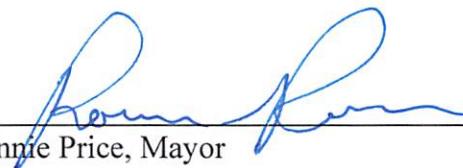
ATTEST:

By   
Dana Engstrom, City Clerk

CITY OF ANDOVER, KANSAS

By

Ronnie Price, Mayor



## EXCERPT OF MINUTES

The governing body of the City of Andover, Kansas met in regular session, at the usual meeting place in said City on October 29, 2024, at 7:00 p.m., with Mayor Ronnie Price presiding, and the following members of the governing body present: Tim Berry, Philip Hamilton Mike Warrington, Jodi Ocadiz, Paul Wemmer, and Michael Henry.

and the following members absent: None

Among other business, there came on for consideration and discussion the following:

AN ORDINANCE AUTHORIZING THE CITY OF ANDOVER, KANSAS TO ISSUE ITS TAXABLE INDUSTRIAL REVENUE BONDS, SERIES 2024 (EVERIDGE LLC), IN THE AGGREGATE PRINCIPAL AMOUNT OF \$874,661.02 FOR THE PURPOSES OF (1) PURCHASING, ACQUIRING, CONSTRUCTING, FURNISHING AND EQUIPPING AN ADDITION TO AN EXISTING MANUFACTURING FACILITY, AND (2) PAYING CERTAIN COSTS OF ISSUANCE THEREOF; AND AUTHORIZING EXECUTION OF BOND DOCUMENTS RELATING TO ISSUANCE, PAYMENT, AND PURCHASE OF THE 2024 BONDS.

After discussion, upon motion by Council Member Wemmer, seconded by Council Member Berry, each section of the Ordinance was passed by a majority of the members elect.

The Ordinance was designated Ordinance No. 1935.

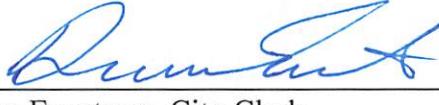
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CITY CLERK'S  
CERTIFICATION OF EXCERPT OF MINUTES

I certify that the foregoing is a true and correct Excerpt of Minutes of the October 29, 2024 meeting of the governing body of the City of Andover, Kansas.

[seal]



  
Dana Engstrom, City Clerk