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FIRST AMENDMENT TO THE  
LOAN AGREEMENT

By and Between

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

AND

CITY OF OLATHE, KANSAS  
KWPCRF PROJECT NO.: C20 3116 01

ORIGINAL LOAN AGREEMENT  
EFFECTIVE AS OF SEPTEMBER 24, 2025

AMENDMENT NO.: 1  
EFFECTIVE AS OF MAY 13, 2026

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First Amendment to  
the Loan Agreement by and between the  
Kansas Department of Health and Environment  
Acting on Behalf of the State of Kansas  
and City of Olathe, Kansas  
Effective As of May 13, 2026

WHEREAS, the City of Olathe, Kansas (the Municipality) has entered into a Loan Agreement with the Kansas Department of Health and Environment, acting on behalf of the State of Kansas, effective as of September 24, 2025 (the "Loan Agreement"); and

WHEREAS, said Loan Agreement was entered into for the benefit of the City of Olathe, Kansas, KWPCRF Project No. C20 3116 01; and

WHEREAS, the Municipality and KDHE hereby determines that it is necessary to amend certain exhibits to the Loan Agreement, and

WHEREAS, this First Amendment to the Loan Agreement is entered into and effective as of May 13, 2026;

THEREFORE, the Loan Agreement is amended as follows:

SECTION 1. Article II, Loan Terms, Section 2.01, Amount of Loan and Exhibit B, Exhibit F, and Exhibit G of the LOAN AGREEMENT BY AND BETWEEN THE KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT AND THE CITY OF OLATHE, KANSAS is hereby amended to read as set forth on the pages attached hereto.

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

IN WITNESS WHEREOF, KDHE and the Municipality have caused this First Amendment to the Loan Agreement for the Municipality to be executed, sealed and delivered, effective as of May 13, 2026.



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

By Janet Stanek  
Janet Stanek  
Secretary  
Kansas Department of Health and Environment

Date: 5-18-2026

CITY OF OLATHE, KANSAS

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

(Seal)

ATTEST:

By \_\_\_\_\_

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

The "Municipality"

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

First Amendment  
Effective as of May 13, 2026

EXHIBIT J  
CONSENT OF THE KANSAS DEVELOPMENT FINANCE AUTHORITY  
FOR EXECUTION OF THE THIRD AMENDMENT TO THE LOAN AGREEMENT  
BY AND BETWEEN  
THE KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT  
AND THE CITY OF OLATHE, KANSAS

WHEREAS, pursuant to the Kansas Water Pollution Control Revolving Fund Act, K.S.A. 65-3321 et seq. (the "Act"), the State of Kansas has established the Kansas Water Pollution Control Revolving Fund for the purposes of the Federal Water Quality Act of 1987 to be administered and managed by the Secretary of the Kansas Department of Health and Environment ("KDHE"); and

WHEREAS, the Kansas Development Finance Authority (the "Authority"), the Kansas Department of Administration, and the Secretary of KDHE have entered into an Inter-Agency Agreement dated as of March 1, 1999, and a Pledge Agreement as amended, pursuant to which KDHE agrees to enter into Loan Agreements with Municipalities for Wastewater Treatment Projects and to pledge the interest portion of the Loan Repayments received pursuant to such Loan Agreements and certain other revenues to the Authority and the Authority, in turn, pledges its rights to the Revenues under the Agreement to the payment of the principal of, premium, if any, and interest on the Bonds issued for the purpose of loaning the proceeds thereof to the participating municipalities; and

WHEREAS, based on said Pledge Agreement, KDHE has entered into a Loan Agreement effective September 24, 2025 with the City of Olathe, Kansas (the Municipality) for the benefit of KWPCRF Project No. C20 3116 01; and

WHEREAS, KDHE has expressed the need and intent to amend certain provisions and exhibits of said Loan Agreement with the Municipality in the form as set forth in a First Amendment to the Loan Agreement as attached hereto; and

WHEREAS, pursuant to Section 6.04 of the Loan Agreement, the Authority must consent, in writing, to any amendment, supplement or modifications to the Loan Agreement.

WITNESSETH, the Kansas Development Finance Authority hereby agrees as follows:

- (1) The Authority acknowledges receipt of the First Amendment to the Loan Agreement between the Kansas Department of Health and Environment and the City of Olathe, Kansas effective as of May 13, 2026;
- (2) The Authority consents to the execution of the First Amendment to the Loan Agreement by KDHE and the Municipality.

KANSAS DEVELOPMENT FINANCE AUTHORITY

By \_\_\_\_\_

  
Executive Director

**ARTICLE II**

**LOAN TERMS**

**Section 2.01. Amount of the Loan.** Subject to all of the terms, provisions and conditions of this Loan Agreement, and subject to the availability of State and Federal funds and proceeds of Bonds, KDHE will loan an amount not to exceed ~~Four Million Five Hundred Sixty Eight Thousand Dollars [\$4,568,000]~~ Five Million Seven Hundred Seventy-Seven Thousand Dollars [\$5,777,000] to the Municipality to pay all or a portion of Project Costs described in ***Exhibit A*** hereto. The final actual amount of the Loan may be reduced without revision of any other terms, provisions or conditions of this Loan Agreement, other than the Loan Repayment Schedule (***Exhibit B*** hereto), to reflect reductions in the estimated or actual total Project Costs as impacted by opening of bids for construction, change orders, final actual costs, and prepayments. The Municipality shall be responsible for any costs incurred by the Municipality in connection with the Project in addition to the amount of the Loan. Any amendment to ***Exhibit B*** shall be effected by written amendment to the Loan Agreement executed by all parties.

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COPY  
Not for Execution

**EXHIBIT B**  
**LOAN REPAYMENT SCHEDULE**  
(See Page 7)

**DEDICATED SOURCE OF REVENUES AND LOAN REPAYMENT SCHEDULE**

***Dedicated Source of Revenue***

The Municipality shall impose and collect such rates, fees and charges for the use and services furnished by or through the System, including all improvements and additions thereto hereafter constructed or acquired by the Municipality as will provide System Revenues or levy ad valorem taxes without limitation as to rate or amount upon all the taxable tangible property, real or personal, within the territorial limits of the Municipality to produce amounts which are sufficient to (a) pay the cost of the operation and maintenance of the System, (b) pay the principal of and interest on the Loan as and when the same become due, and (c) pay all other amounts due at any time under the Loan Agreement; provided, however, no lien or other security interest is granted by the Municipality to KDHE on the System Revenues under this Agreement. In the event that the System Revenues are insufficient to meet the obligations under the Loan and the Loan Agreement, the Municipality shall levy ad valorem taxes without limitation as to rate or amount upon all the taxable tangible property, real or personal, within the territorial limits of the Municipality to produce the amounts necessary for the prompt payment of the obligations under the Loan and Loan Agreement.

***Loan Repayment Schedule***

The Municipality and KDHE have agreed that interest becoming due semiannually on the Loan during the construction period for the Project may be capitalized and repaid as a part of the Loan. In this regard, KDHE shall give the Municipality written notice of each semiannual installment of interest becoming due during the construction period. At its option, the Municipality may elect to pay such amounts, and if so elected, must pay such amounts within 30 days of receipt of the notice of their becoming due. If the Municipality does not elect to pay such amounts within 30 days of receipt of such notice, the amount then due and owing as semiannual interest on the Loan shall be capitalized and added to the principal amount of the Loan and shall bear interest at the rate of interest set forth in **Section 2.02** hereof.

***Principal Forgiveness***

Certain loans may be awarded principal forgiveness if the municipality qualifies under affordability criteria or if the project is considered a sustainability project. The amount of principal forgiveness is estimated on the repayment schedule found on the following page and will be finalized when the loan agreement is amended to reflect the final costs of the project. Principal forgiveness will be provided on the date of the final loan disbursement. KDHE reserves the right to increase the principal forgiveness as needed to meet requirements of Public Law.

The principal forgiveness amount will be calculated at 100% of the final loan amount.

KANSAS WATER POLLUTION CONTROL REVOLVING FUND

Estimated Draws - Actual Interest Rate  
 Amortization of Loan Costs as of 05/13/2026

Prepared for:  
 City of Olathe, Project No. C20 3116 01

Project Principal: 5,777,000.00  
 Interest During Const.: 0.00  
 Service Fee During Const.: 0.00  
 Gross Loan Costs: 5,777,000.00  
 Estimated Principal Forgiveness: 5,777,000.00  
 Net Loan Costs: 0.00

<u>Gross Interest Rate Allocation</u>	<u>thru 3/1/2032</u>	<u>after 3/1/2032</u>
Service Fee Rate:	2.90%	0.25%
Net Loan Interest Rate:	0.25%	2.90%

Gross Interest Rate: 3.15%  
 First Payment Date: 9/1/2028  
 Number of Payments: 1

Payment Number	Payment Date	Beginning Balance	Interest Payment	Principal Payment	Principal Forgiveness	Service Fee	Total Payment	Ending Balance
1	9/1/2028	5,777,000.00	1,203.54	0.00		13,961.08	15,164.62	5,777,000.00
	10/1/2028	5,777,000.00			5,777,000.00		0.00	
		Totals	1,203.54	0.00	5,777,000.00	13,961.08	15,164.62	

COPY  
Not for Execution

EXHIBIT F

FORM OF MUNICIPALITY ORDINANCE

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EXCERPT OF MINUTES OF A MEETING  
OF THE GOVERNING BODY OF  
THE CITY OF OLATHE, KANSAS  
HELD ON [ORDINANCE DATE]

The Governing Body of the City met in [regular/special] session at the usual meeting place in the City, at [meeting time], the following members being present and participating, to-wit:

Absent:

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

(Other Proceedings)

Thereupon, there was presented an Ordinance entitled:

**AN ORDINANCE AUTHORIZING THE EXECUTION OF AN AMENDMENT TO THE LOAN AGREEMENT BETWEEN THE CITY OF OLATHE, KANSAS AND THE STATE OF KANSAS, ACTING BY AND THROUGH THE KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT FOR THE PURPOSE OF OBTAINING A LOAN FROM THE KANSAS WATER POLLUTION CONTROL REVOLVING FUND FOR THE PURPOSE OF FINANCING A WASTEWATER TREATMENT PROJECT; ESTABLISHING A DEDICATED SOURCE OF REVENUE FOR REPAYMENT OF SUCH LOAN; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION THEREWITH; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE LOAN AGREEMENT.**

Thereupon, [Council member] \_\_\_\_\_ moved that said Ordinance be passed. The motion was seconded by [Council member] \_\_\_\_\_. 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:

Yes: \_\_\_\_\_.

No: \_\_\_\_\_.

Thereupon, the Mayor declared said Ordinance duly passed and the Ordinance was then duly numbered Ordinance No. \_\_\_\_\_ and was signed and approved by the Mayor and attested by the Clerk. The Clerk was directed to publish the Ordinance one time in the official newspaper of the City.

(Other Proceedings)

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

(SEAL)

\_\_\_\_\_  
Clerk

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**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AUTHORIZING THE EXECUTION OF THE FIRST AMENDMENT TO THE LOAN AGREEMENT BETWEEN THE CITY OF OLATHE, KANSAS AND THE STATE OF KANSAS, ACTING BY AND THROUGH THE KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT FOR THE PURPOSE OF OBTAINING A LOAN FROM THE KANSAS WATER POLLUTION CONTROL REVOLVING FUND FOR THE PURPOSE OF FINANCING A WASTEWATER TREATMENT PROJECT; ESTABLISHING A DEDICATED SOURCE OF REVENUE FOR REPAYMENT OF SUCH LOAN; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION THEREWITH; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE LOAN AGREEMENT.**

**WHEREAS**, the Federal Water Quality Act of 1987 (the "Federal Act") established revolving fund program for public wastewater treatment systems to assist in financing the costs of infrastructure needed to achieve or maintain compliance with the Federal Act and to protect the public health and authorized the Environmental Protection Agency (the "EPA") to administer a revolving loan program operated by the individual states; and

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

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

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

**WHEREAS**, the Kansas Development Finance Authority (the "Authority") and KDHE have entered into a Master Financing Indenture (the "Master Indenture") pursuant to which KDHE agrees to enter into Loan Agreements with Municipalities for public wastewater treatment projects (the "Projects") and to pledge the Loan Repayments (as defined in the Master Indenture) received pursuant to such Loan Agreements to the Authority; and

**WHEREAS**, the Authority is authorized under K.S.A. 74-8905(a) and the Loan Act to issue revenue bonds (the "Bonds") for the purpose of providing funds to implement the State's requirements under the Federal Act and to loan the same, together with available funds from the EPA capitalization grants, to Municipalities within the State for the payment of Project Costs (as said terms are defined in the Loan Act); and

**WHEREAS**, the City of Olathe, Kansas (the "Municipality") is a municipality as said term is defined in the Loan Act which operates a wastewater collection and treatment system (the "System"); and

**WHEREAS**, the System is a public Wastewater Treatment Works, as said term is defined in the Loan Act; and

**WHEREAS**, the Municipality has, pursuant to the Loan Act, submitted an Application to KDHE to obtain a loan from the Revolving Fund to finance the costs of improvements to its System consisting of the following:

Construction of a project to install a super critical water oxidation (SCWO) pilot system to treat biosolids produced at the City of Olathe's existing Cedar Creek Wastewater Treatment Plant (the "Project"); and

**WHEREAS**, the Municipality has taken all steps necessary and has complied with the provisions of the Loan Act and the provisions of K.A.R. 28-16-110 to 28-16-138 (the "Regulations") applicable thereto necessary to qualify for the loan; and

**WHEREAS**, KDHE has informed the Municipality that it has been approved for a loan in amount of not to exceed Five Million Seven Hundred Seventy-Seven Thousand Dollars [\$5,777,000] (the "Loan") in order to finance the Project; and

**WHEREAS**, the governing body of the Municipality hereby finds and determines that it is necessary and desirable to accept the First Amendment to the Loan Agreement and to enter into a First Amendment to the Loan Agreement and certain other documents relating thereto, and to take certain actions required in order to implement the First Amendment to the Loan Agreement.

**THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF OLATHE, KANSAS:**

**Section 1. Authorization of Loan Agreement.** The Municipality is hereby authorized to accept the Loan and to enter into a certain First Amendment to the Loan Agreement, with an effective date of May 13, 2026, with the State of Kansas acting by and through the Kansas Department of Health and Environment (the "First Amendment to the Loan Agreement") to finance the Project Costs (as defined in the First Amendment to the Loan Agreement). The Mayor and Clerk are hereby authorized to execute the First Amendment to the Loan Agreement in substantially the form presented to the governing body this date, with such changes or modifications thereto as may be approved by the Mayor and the City Attorney, the Mayor's execution of the First Amendment to the Loan Agreement being conclusive evidence of such approval.

**Section 2. Establishment of Dedicated Source of Revenue for Repayment of Loan.** Pursuant to the Loan Act, the Municipality hereby establishes a dedicated source of revenue for repayment of the Loan. In accordance therewith, the Municipality shall impose and collect such rates, fees and charges for the use and services furnished by or through the System, including all improvements and additions thereto hereafter constructed or acquired by the Municipality as will provide System Revenues or levy ad valorem taxes without limitation as to rate or amount upon all the taxable tangible property, real or personal, within the territorial limits of the Municipality to produce amounts which are sufficient to (a) pay the cost of the operation and

maintenance of the System, (b) pay the principal of and interest on the Loan as and when the same become due, and (c) pay all other amounts due at any time under the Loan Agreement; provided, however, no lien or other security interest is granted by the Municipality to KDHE on the System Revenues under this Agreement. In the event that the System Revenues are insufficient to meet the obligations under the Loan and the Loan Agreement, the Municipality shall levy ad valorem taxes without limitation as to rate or amount upon all the taxable tangible property, real or personal, within the territorial limits of the Municipality to produce the amounts necessary for the prompt payment of the obligations under the Loan and Loan Agreement.

In accordance with the Loan Act, the obligations under the Loan and the First Amendment to the Loan Agreement shall not be included within any limitation on the bonded indebtedness of the Municipality.

**Section 3. Further Authority.** The Mayor, Clerk and other City officials are hereby further authorized and directed to execute any and all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of the Ordinance, and to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

**Section 4. Governing Law.** The Ordinance and the First Amendment to the Loan Agreement shall be governed exclusively by and construed in accordance with the applicable laws of the State of Kansas.

**Section 5. Effective Date.** This Ordinance shall take effect and be in full force from and after its passage by the governing body of the City and publication in the official City newspaper.

**PASSED** by the governing body of the City on [Ordinance Date] and [signed][and **APPROVED**] by the Mayor.

(SEAL)

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Clerk

[APPROVED AS TO FORM ONLY.]

\_\_\_\_\_  
[City Attorney]

**EXHIBIT G**

**FORM OF OPINION OF MUNICIPALITY'S COUNSEL**

[Date]

Kansas Development Finance Authority  
Topeka, Kansas

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

Re: First Amendment to the Loan Agreement effective as of May 13, 2026, between the Kansas Department of Health and Environment ("KDHE"), acting on behalf of the State of Kansas (the "State"), and the City of Olathe, Kansas (the "Municipality")

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

In this connection, I have examined the following:

- (a) an executed or certified copy of the Loan Agreement;
- (b) proceedings adopted or taken by the Municipality to authorize and approve the Project to be constructed with the proceeds of the Loan evidenced by the Loan Agreement;
- (c) Ordinance No. \_\_\_\_ of the Municipality (the "Ordinance") adopted on [*Ordinance Date*], and other proceedings of the Municipality taken and adopted in connection with the authorization, execution and delivery of the Loan Agreement, and the establishment of a Dedicated Source of Revenue for repayment of the Loan evidenced by the Loan Agreement; and
- (d) such other proceedings, documents and instruments as I have deemed necessary or appropriate to the rendering of the opinions expressed herein.

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

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

1. The Municipality is a municipal corporation duly created, organized and existing under the laws of the State.
2. The Municipality operates a public Wastewater Treatment Works, as said term is defined in the Loan Act.
3. The Project has been duly authorized by the Municipality.
4. The Municipality has all requisite legal power and authority to, and has been duly authorized under the terms and provisions of the Ordinance to, execute and deliver, and perform its obligations under, the Loan Agreement.
5. The Loan Agreement has been duly authorized, executed and delivered by the Municipality and constitutes a valid and binding agreement of the Municipality enforceable in accordance with its terms, subject as to enforcement of remedies to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting creditors' rights heretofore or hereafter enacted, and subject further to the exercise of judicial discretion in accordance with general principles of equity. In rendering this opinion I have assumed due authorization, execution and delivery of the Loan Agreement by the State, acting by and through KDHE.
6. The Municipality has duly authorized the Dedicated Source of Revenue for repayment of the Loan to be made pursuant to the Loan Agreement.
7. To the best of my knowledge, the execution and delivery of the Loan Agreement by the Municipality will not conflict with or result in a breach of any of the terms of, or constitute a default under, any ordinance, indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Municipality is a party or by which it or any of its property is bound or any of the rules or regulations applicable to the Municipality or its property or of any court or other governmental body.

Very truly yours,