MICHAEL HUTFLES

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Sen. Karin Brownlee State Capitol Room 121-E Topeka, KS 66612

Dear Sen. Brownlee:

I have a response to your question raised in the Senate Commerce committee earlier this month. Your question had to do with a provision in the contract between the Unified Government and, my client, Schlitterbahn. The provision requires Schlitterbahn to make annual payments to a not-for-profit entity. This amount starts at \$150,000 and goes up in \$25,000 increments until the annual amount reaches \$250,000.

This provision was part of the negotiation between the UG and Schlitterbahn. As a standard practice, Schlitterbahn is a good community partner in every city where we have a facility. We wish to continue this partnership in Wyandotte County. This method was the preferred way to handle this issue by both parties. We felt it important for this to not be a payment to the General Operating Fund for the UG, the UG felt the same way. The UG will designate the not-for-profit. Expenditures will be made on public improvement projects in Wyandotte County.

STAR Bond proceeds will not be used in making this payment. All payments will be made out of Schlitterbahn Vacation Village operating funds. The first payment will be made in the year we open the resort facility.

My apologies in the delay in getting this response to you. If you have further questions, please give me a call.

Sincerely,

Mike Hutfles ⁶ Hutfles Government Relations, Inc.

Senate Commerce Committee Attachment