

November 7, 2007

Nicole Pfannenstiel
Sunflower Electric Power Corporation
PO Box 1020
Hays, Kansas 67601

RE: Pawnee Valley Lodge, LLC - Jetmore, KS
Rural Economic Development Loan

Dear Ms. O'Neal

The Kansas Geological Survey (KGS) has received Sunflower Electric Power Corporation's October 26, 2007 request for intergovernmental comments. The comment request is part of the USDA's Rural Development loan application process for an Economic Development Loan. The loan will partially finance the applicant, Pawnee Valley Lodge, LLC, to construct a new 15-room motel at the southeast corner of Highway 156 and Highway 283 in Jetmore, KS.

A review of regional geologic information along with the site map and aerial photography provided by Sunflower Electric indicates that there are no unduly adverse geologic conditions that should affect this project. Aerial photography indicates the presence of several existing buildings on the property parcel. Environmental factors that could affect this project will likely be more site-specific in nature or dependent on the past use of the existing structures. Historically, former gas stations are often sited at state highway cross roads, therefore, site-specific factors such as the past use of the buildings at this site should be considered in an environmental review (e.g., USTs, etc.). However for the purposes of the grant application, clearance of the project should proceed. A completed request for environmental comments form is enclosed.

This letter is an assessment based on the regional geologic conditions available at the KGS at the time of writing and cannot be used in substitute of a detailed site characterization. Other geologic conditions, not discussed herein, or for which the KGS has no knowledge, may affect the viability or safe operation of this facility or property. It is the responsibility of the applicant to provide any necessary characterization, geotechnical or environmental testing, or design by a licensed professional geologist or engineer to complete the project.

Nicole Pfannenstiel
November 7, 2007
Pawnee Valley Lodge, LLC - Jetmore, KS
Page 2 of 2

Sincerely,

A handwritten signature in black ink, appearing to read "Sh Lyle". The signature is fluid and cursive, with the first name "Sh" and last name "Lyle" clearly distinguishable.

Shane Lyle, RG
Geology Extension Coordinator

Enclosures

cc: Dan Suchy, KGS Data Resources Library

AGENCY REVIEW TRANSMITTAL FORM

Comments by: Kansas Geological Survey

Transmittal Date: 10.26.07

PROJECT TITLE: Pawnee Valley Lodge, LLC

Notification of
Intent

☒

Pre-application

CONTACT PERSON: Nicole M. Pfannenstiel, Corporate/Member Services Admin.

Final Application

Direct
Development

This form provides notification and the opportunity for your agency to review and comment on this proposed project as required by Executive Order 12372. Please complete Parts II and III as appropriate. Your prompt response will be appreciated.

RETURN TO:

Nicole Pfannenstiel
Corporate/Member Services Administrator
Sunflower Electric Power Corporation
PO Box 1020
Hays, KS 67601

PART I

REVIEW AGENCIES/COMMISSIONS

☐ Aging	☐ Education/Geological Survey, KS	☐ State Forester
☐ Agriculture - DWR	☒ Health & Environment	☐ Transportation
☐ Biological Survey, KS	☐ Historical Society	☐ Water Office, KS
☐ Conservation Commission	☐ Social & Rehabilitation Services	☐ Wildlife & Parks
☐ Corporation Commission	☐ Kansas Dept. of Commerce and Housing	☐ City/County
☐ Commerce	☐ Certified Development Company	☐ Human Resources

PART II (To be completed by review agency and returned to contact person)

AGENCY REVIEW COMMENTS

COMMENTS:

See transmittal letter

PART III (To be completed by review agency and returned to contact person)

RECOMMENDED ACTION COMMENTS

☐ Clearance of the project should be granted.	☒ Clearance of the project should not be delayed, but the Applicant should (in the final application) address and clarify the questions or concerns indicated below.
☐ Clearance of the project should not be granted.	
☐ Clearance of the project should be delayed until the issues or question have been clarified.	☐ Request the opportunity to review final application prior to submission to the federal funding agency.
☐ Request a State Process Recommendation in concurrence with the above comments.	

DIVISIONS/AGENCY/COMMISSION

Reviewer's Name:

Date: 11-07-07



SUNFLOWER ELECTRIC POWER CORPORATION

A Touchstone Energy Cooperative 

October 26, 2007

William Harrison
Kansas Geological Survey
1930 Constant Ave
Lawrence, KS 66047

RE: Request for Intergovernmental and Environmental Comments on Application for Rural Economic Development Loan project for Pawnee Valley Lodge, LLC.

Pursuant to the above project, please be advised Victory Electric Cooperative Association, Inc. of Dodge City, Kansas will be submitting a Rural Economic Development loan application for Pawnee Valley Lodge, LLC.

The purpose of the \$221,000 loan is to provide financing assistance to the company for a new 15 room Motel in Hodgeman County, Kansas. The total project cost is \$442,000. The company will provide the supplemental financing.

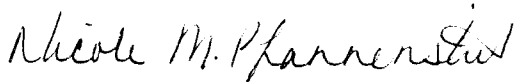
This project will comply with appropriate state laws concerning the application. The application will be sent to Brandon Prough, USDA Rural Development, 2715 Canterbury Drive, Hays, KS, 67601.

I request that you do the following:

1. Review the application information for program or environmental impacts.
2. Provide comments on attached Exhibit D form within 30 days.
3. Please mail or fax these responses to: Nikki Pfannenstiel
Sunflower Electric Power Corporation
PO Box 1020
Hays, KS 67601
VOICE (785) 623-3334
FAX (785) 623-3328

Please call me if you have any questions.

Sincerely,



Nicole M. Pfannenstiel
Corporate/Member Services Administrator

Project Overview

Victory Electric Cooperative Association, Inc. intends to apply for a loan up to \$300,000 from the Rural Economic Development Loan program from the USDA Rural Utilities Service (RUS) to provide financing for the Pawnee Valley Lodge. The owners of Pawnee Valley Lodge are planning to construct a new motel in Hodgeman County, Kansas. The Pawnee Valley Lodge plans to employ 4-6 people with this new facility.

With the loan from RUS, Victory will make a zero-interest loan to Pawnee Valley Lodge to construct a new 15 unit motel to be located off US Highway 156, and Main Street in Jetmore, Kansas. The company is providing additional funding for the project, which will include debt and equity from the owners.

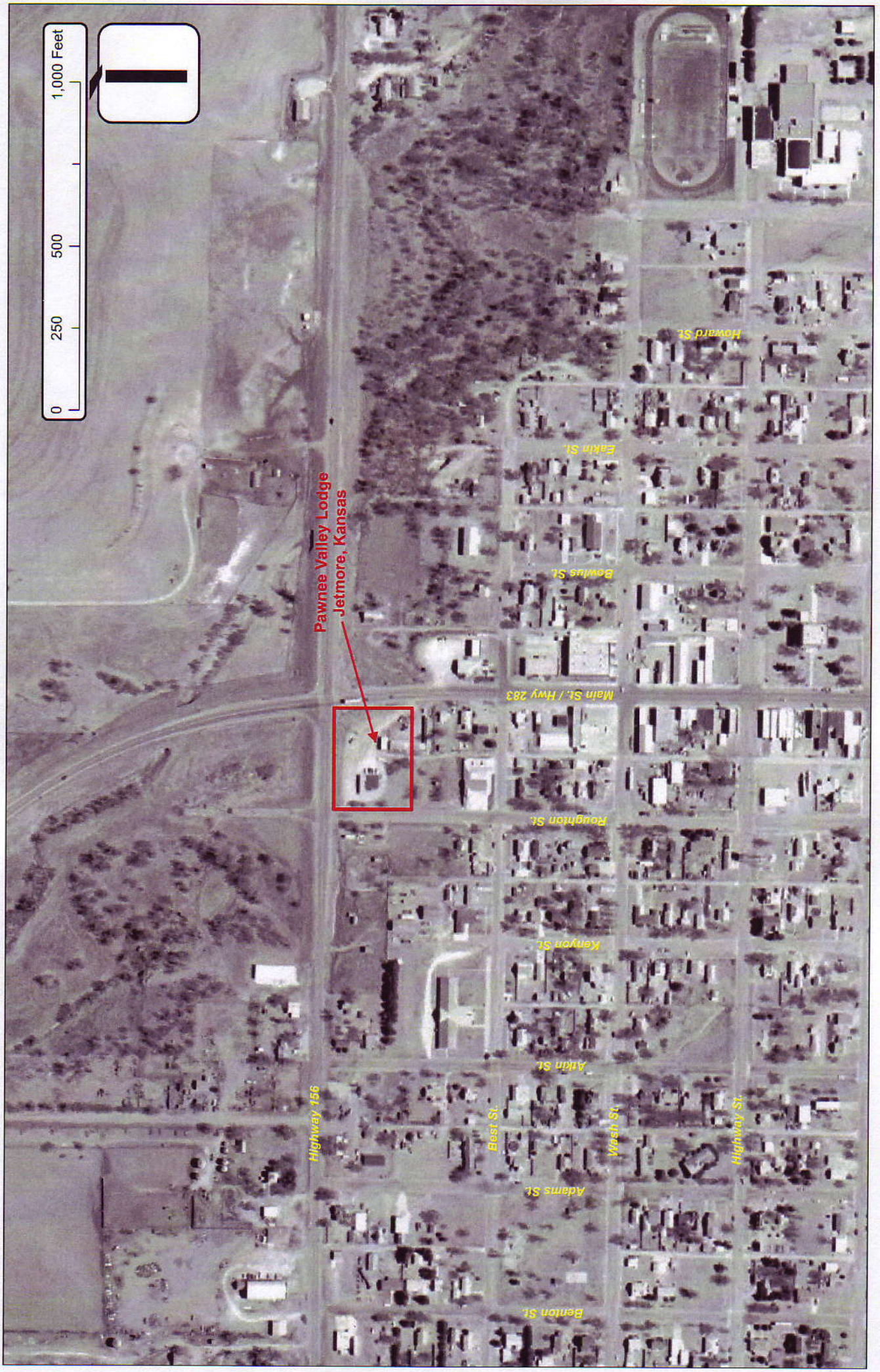
The new motel will be located off of US Highway 156 and the Junction of US 83 (Main Street), in Jetmore, Hodgeman County, Kansas. The tract of land is described as follows:

West Half of Section 6, Township 23 South, Range 23 West, more specifically described as Lots 1, 3, 5, 7, 9, Block 20 of the Haums First Edition in Jetmore, Hodgeman County, Kansas.

The planned facility will be built in accordance with all laws and regulations pertaining to the industry. An aerial map showing the location of the property and a FEMA map is included for your reference.

For more detailed information regarding this project, please contact:

Bill Goebel
620.357.8735



0 250 500 1,000 Feet



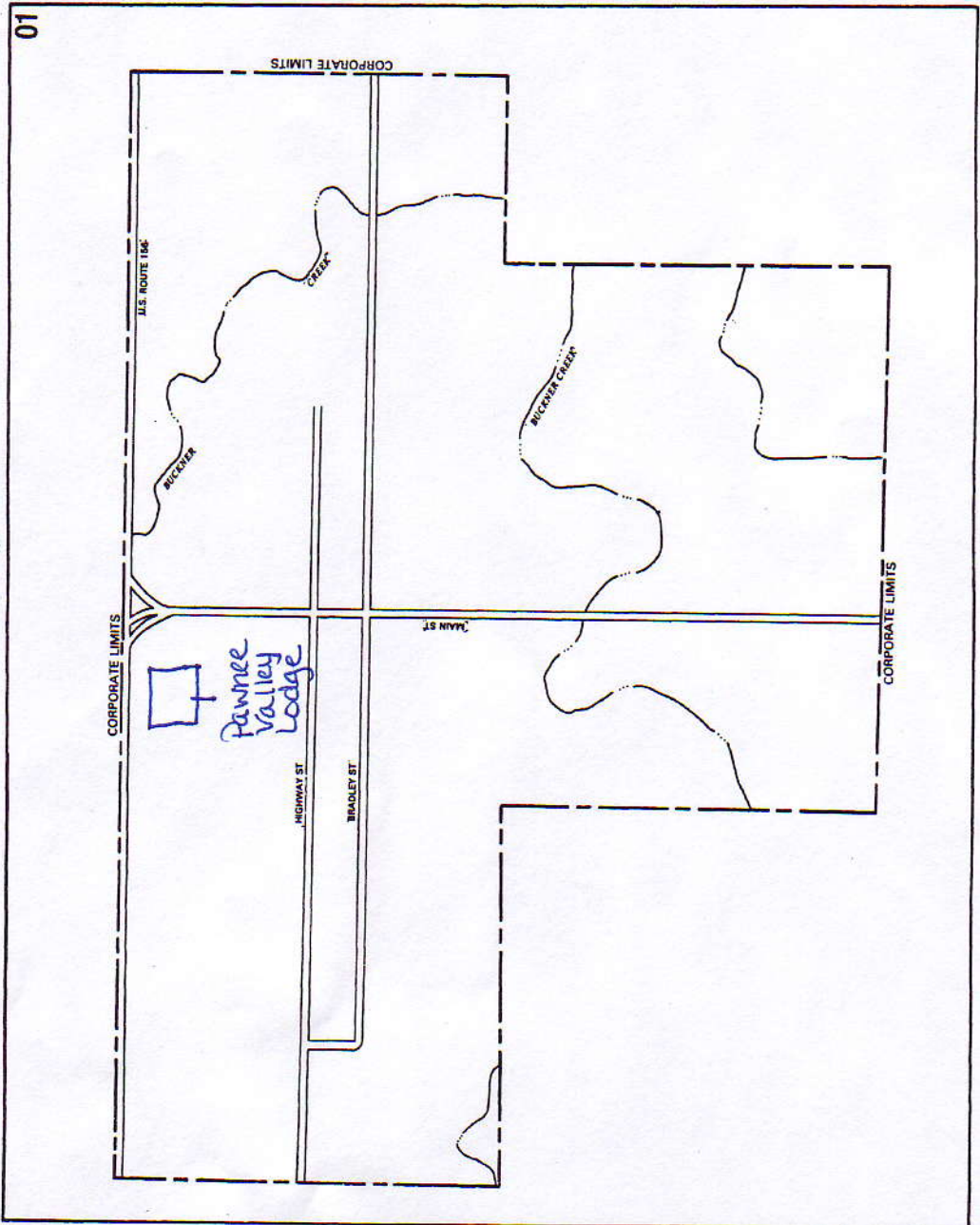
Pawnee Valley Lodge
Jetmore, Kansas



Benton St
Adams St
Best St
Atkin St
Kenyon St
Roughston St
Main St / Hwy 283
Bowling St
Eakin St
Howard St

Highway 156

Highway 283



ZONE DESIGNATIONS*

Base Flood Elevation: Line with elevations
Base Flood Elevation where uniform with
Elevation Reference Mark
River Mile

*EXPLANATION

A Flood insurance map displays the re-

Flood hazard. The zone designations are:

ZONE

A Areas of 100-year flood hazard

AO Areas of 100-year shallow

average depths of inundation

AN Areas of 100-year shallow

average depths of inundation

A1-A30 Areas of 100-year flood hazard

A30 Areas of 100-year flood hazard

B Areas of 100-year flood hazard

C Areas of minimal flooding

D Areas of undetermined, but

of

V Areas of 100-year coastal

high water (action not)

V1-V30 Areas of 100-year coastal

high water (action not)

VE Areas of 100-year coastal

high water (action not)

VE1-VE30 Areas of 100-year coastal

high water (action not)

VE30 Areas of 100-year coastal

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