AGENDA
CITY OF HARRISONVILLE
BOARD OF ALDERMEN
REGULAR MEETING
CITY HALL
JULY 17, 2017
7:00 PM

AMENDED AGENDA – JULY 14, 2017

1. **Call to Order & Pledge of Allegiance**

2. **Roll Call**

   A. **Roll Call**

3. **Ceremonial Matters**

4. **Public Participation**

5. **Approval of Minutes**

   A. **Board of Aldermen - Regular Meeting - Jun 19, 2017 7:00 PM**

6. **Agenda Items**

   A. **Council Bill 043, Second reading: An Ordinance of the Board of Aldermen to Amend Section 355.010, Schedule 2, of the Harrisonville Code of Ordinances Regarding Parking/No Parking on Elm Street between Price Street and Halsey Street**

   B. **Council Bill 047: Tree Trimming Agreement with American Legion**

   C. **Council Bill 048: Midwest Public Risk 2017 Renewal**

   D. **Council Bill 049: Parks Roofing Repairs**

   E. **Council Bill 050: TDD Dissolve**

   F. **Council Bill 051: A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO AN AGREEMENT WITH Redford Construction FOR the 2017 Ann Terrace Storm Drainage Improvements IN AN AMOUNT NOT TO EXCEED $143,808.00**

   G. **Council Bill 052: Water Pump Repair at Lake Harrisonville**

H. Council Bill 053: A Resolution to Amend Resolution R001-12 Adopt Investment Policy for the City of Harrisonville, Missouri by rescinding the existing policy in its entirety and adopting the investment policy

I. Council Bill 054: An Ordinance to Repeal Ordinance 3324 and to enact in Lieu Thereof a New Ordinance Regarding an Established Procedure to Disclose Potential Conflicts of Interest and Substantial Interests for Certain Officials and to amend the Time in Which Candidates for Office are Required to file Disclosure Statements with the City Clerk.

J. Council Bill 055: AN ORDINANCE REPEALING CERTAIN SECTIONS OF SECTION 500 BUILDING AND PROPERTY MAINTENANCE CODES, SECTION 505 BUILDING REGULATIONS AND CHAPTER 700 UTILITIES OF THE HARRISONVILLE CODE OF ORDINANCES, ENACTING NEW SECTIONS 500.020 A.5. AND 700.210 C., AND ESTABLISHING AN EFFECTIVE DATE.

7. Aldermen and Committee Reports

8. Report from the City Administrator

A. City Admin Rpt July

9. Report from the Mayor

10. Adjourn From Regular Session

11. Ordinances

12. Action Items

Posted on City Hall Bulletin Board this 14th day of July 2017

____
Randall K. Jones, City Clerk

The Board of Aldermen meeting is an open meeting but is not a meeting of the public. There is a place on the agenda for comments of citizens under PUBLIC PARTICIPATION. Our rule is that comments by any individual or group shall not exceed (4) minutes. The Board of Aldermen request that concerns be initially addressed at the appropriate action level before coming to the Board of Alderman

City of Harrisonville est. 1836

DRAFT

MINUTES
CITY OF HARRISONVILLE
BOARD OF ALDERMEN
REGULAR MEETING
CITY HALL
JUNE 19, 2017
7:00 PM

1. Call to Order & Pledge of Allegiance

2. Roll Call

Attendee Name	Organization	Title	Status	Arrived
Judy Bowman	Harrisonville	Board Member	Present	
Clint Long	Harrisonville	Board Member	Present	
Josh Stafford	Harrisonville	Board Member	Present	
David Dickerson	Harrisonville	Board Member	Present	
Matt Turner	Harrisonville	Board Member	Present	
Marcia Milner	Harrisonville	Board Member	Present	
Judy Reece	Harrisonville	Board Member	Present	
Brad Bockelman	Harrisonville	Board Member	Present	
Brian Hasek	Harrisonville	Mayor	Present	

Also in attendance: John Fairfield City Attorney, Happy Welch City Administrator, John Hofer Police Chief, Eric Patterson Public Works Director, Chris Deal Parks & Recreation Director, Sheryl Stanley Deputy City Clerk, Marcella McCoy Finance Director, Randall Jones City Clerk Recording.

3. Ceremonial Matters

None

4. Public Participation

Morris Coburn, 908 E. Pearl Street, addressed Mayor and Board on two agenda items. Those being item F. for clarification and item E. stating that he hoped the Board would remember the State Audit results as they make a decision on the Market Place storage building request..

5. Approval of Minutes

A. Board of Aldermen - Work Session - Jun 5, 2017 6:00 PM

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	David Dickerson, Board Member
SECONDER:	Marcia Milner, Board Member
AYES:	Bowman, Long, Stafford, Dickerson, Turner, Milner, Reece, Bockelman

B. Board of Aldermen - Regular Meeting - Jun 5, 2017 7:00 PM

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	David Dickerson, Board Member
SECONDER:	Marcia Milner, Board Member
AYES:	Bowman, Long, Stafford, Dickerson, Turner, Milner, Reece, Bockelman

6. Agenda Items

A. Destruction of Records

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Matt Turner, Board Member
SECONDER:	Clint Long, Board Member
AYES:	Bowman, Long, Stafford, Dickerson, Turner, Milner, Reece, Bockelman

B. Police Dent Bid Res.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Marcia Milner, Board Member
SECONDER:	Matt Turner, Board Member
AYES:	Bowman, Long, Stafford, Dickerson, Turner, Milner, Reece, Bockelman

C. A Resolution of the Board of Aldermen of Harrisonville, Missouri Authorizing the City Administrator to Execute the Attached Contract for a One Year Lease on Hangar Space at Lawrence Smith Memorial Airport between the City and Jeramie Swanson.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Clint Long, Board Member
SECONDER:	Matt Turner, Board Member
AYES:	Bowman, Long, Stafford, Dickerson, Turner, Milner, Reece, Bockelman

D. A Resolution of the Board of Aldermen of Harrisonville, Missouri to Authorize the City Administrator to Execute a Contract with Excalibur Contracting for Nuisance Abatement Services.

Amended as per handout to include contractor information and start and end dates.

RESULT:	**ADOPTED [UNANIMOUS]**

MOVER:	Marcia Milner, Board Member
SECONDER:	David Dickerson, Board Member
AYES:	Bowman, Long, Stafford, Dickerson, Turner, Milner, Reece, Bockelman

E. A Resolution Authorizing the Developer of the Harrisonville Market Place Tax Increment Financing Plan to Lease a Portion of the Redevelopment Project Area to a Non-Sales Tax Generating Business

Mayor Hasek contacted the State Auditor prior to meeting to see if this resolution would be appropriate and the answer was yes. Administrator Welch contacted Commerce Bank prior to meeting to inform them of the resolution. Attorney Fairfield stated that the resolution shows analysis of variance from the original TIF agreement and is allowable by TIF agreement. Property owner said frontage lots along Commercial will be retail busines..

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Marcia Milner, Board Member
SECONDER:	Matt Turner, Board Member
AYES:	Bowman, Long, Stafford, Dickerson, Turner, Milner, Reece, Bockelman

F. An Ordinance of the Board of Aldermen of the City of Harrisonville, Missouri to Amend Chapter 215.860 regarding Defacing Firearms.

First reading with motion to waive rules with roll call vote with all aldermen voting aye. Following second reading, Mayor Hasek designated Council Bill #41 as Ordinance #3406 after passage.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	David Dickerson, Board Member
SECONDER:	Judy Bowman, Board Member
AYES:	Bowman, Long, Stafford, Dickerson, Turner, Milner, Reece, Bockelman

G. An Ordinance of the Board of Aldermen of the City of Harrisonville, Missouri to Address the Misuse of City Emergency Telephone Service.

Motion by Alderman Turner and second by Alderman Reece to amend by deleting "Class B" in Section 4. Motion carried. First reading with motion to waive rules with roll call vote with all aldermen voting aye. Following second reading, Mayor Hasek designated Council Bill # 42 as Ordinance #3407 after passage.

RESULT:	**ADOPTED [7 TO 1]**
MOVER:	Matt Turner, Board Member
SECONDER:	Josh Stafford, Board Member
AYES:	Bowman, Long, Stafford, Turner, Milner, Reece, Bockelman
NAYS:	David Dickerson

H. An Ordinance of the Board of Aldermen to Amend Section 355.010, Schedule 2, of the Harrisonville Code of Ordinances Regarding Parking/No Parking on Elm Street between Price Street and Halsey Street

Motion made by Alderman Dickerson and second by Alderman Long to amend the time to state "11 a.m. until 4:00 p.m." Motion was withdrawn and after discussion on possible change of times for no parking, it was decided to give more time to research traffic count in that area.

RESULT:	**TABLED [UNANIMOUS]** **Next: 7/17/2017 7:00 PM**
AYES:	Bowman, Long, Stafford, Dickerson, Turner, Milner, Reece, Bockelman

I. An Ordinance of the Board of Aldermen to Amend Section 355.010, Schedule 2, of the Harrisonville Code of Ordinances Regarding Parking/No Parking Zones on Elm Street between Price Street and Mechanic Street.

First reading with motion to waive rules with roll call vote with all aldermen voting aye. Following second reading, Mayor Hasek designated Council Bill # 44 as Ordinance # 3408 after passage.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Marcia Milner, Board Member
SECONDER:	Judy Reece, Board Member
AYES:	Bowman, Long, Stafford, Dickerson, Turner, Milner, Reece, Bockelman

J. AN ORDINANCE OF THE CITY OF HARRISONVILLE, MISSOURI TO AMEND THE CODE OF ORDINANCES CHAPTERS 210 & 225, BY PERMITTING TRAPPING IN THE CITY, THE REGULATING THEREOF AND ESTABLISHING AN EFFECTIVE DATE.

Motion by Alderman Dickerson and second by Alderman Stafford to amend with the following: "Hunting and Trapping" for Section 1 and add "except as stated in Section 210.181" in Section 1. Motion carried. First reading with motion to waive rules with roll call vote with all aldermen voting aye. Following second reading, Mayor Hasek designated Council Bill # 45 as Ordinance #3409 after passage.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Matt Turner, Board Member
SECONDER:	David Dickerson, Board Member
AYES:	Bowman, Long, Stafford, Dickerson, Turner, Milner, Reece, Bockelman

7. Aldermen and Committee Reports

Alderman Bowman extended invitation to Town Hall meeting to be held July 8th at Harirsonville United Methodist Church along with Alderman Reece. Also congratulations to the new Harrisonville High School principal Mark Wiegers.

Alderman Bockelman asked about budget process for this year.

Alderman Reece questioned about the Elm Street parking and how to proceed.

Alderman Milner stated Farmer's Market last two weeks had been good. Also, her trash had not been picked up twice, but WCA came out and picked up the day she contacted them about it.

Alderman Long stated his service with WCA has not gone as well.

Alderman Turner reminded everyone that Hurt's Donuts will be in town Wednesday. Also, Saturday, June 24th the Elks will be having a benefit for the injured Independence Officer.

Alderman Stafford turned in his resignation as Alderman effective after tonight's meeting (June 19, 2017).

8. Report from the City Administrator

CITY ADMINISTRATOR REPORT

1. **Harrisonville had a good turnout at the Household Hazardous Waste Drop Off on June 3. 59 vehicles with over 8500 pounds of chemicals totaling 31% of all that was collected. Most of the collected material was paint followed by vehicle fluids. At 22% Newspapers ranked highest by those who found out about the event followed by website (17%), social media (17%), and utility bill inserts (16%). Our street department employees helped out that morning with the cleanup.**

2. **MoDNR will be visiting our water plant job site Wednesday to inspect construction to this point.**

3. **City offices are closed for the 4th of July Holiday. Festivities in City Park that day start at 11a with the bike parade and end with fireworks at dusk.**

4. **We have had a couple of residents sign up to be on our reformed TIF Commission but I am still two members short for the city's appointments to the commission. If you know of someone who would like to serve let me know.**

5. **We have finished our 10 year capital plan and now the department heads are reviewing it for any left out items. We will use this plan as a guide when developing the budget each year, but it is not intended to be an adopted fully researched Improvement Plan. This plan will help us to plot for large equipment purchases or requested personnel increases as we start the budget process.**

6. **I am passing out the tentative budget schedule for the FY2018 budget. Included with the schedule is a questionnaire I hope Board members fill out and hand back in the week of July 10. We will use that information to help craft a preliminary budget for review and then work toward adoption of a final budget by the first meeting in November. We start meeting with department heads the middle of July.**

7. **Trash proposals will be going out next week after we finalize the RFP that we have developed. We will be sending one to our current contractor WCA and 2 others who have contacted us, American Waste System and Republic Services. It will also be posted on our website. I hope to have a recommendation at the August 7 Board meeting.**

8. **Additional bid requests are also coming soon: Marcella is finishing up specifications for replacing/repairing the city hall roof and for cleaning services at city hall and the police department.**

Alderman Bowman asked if there was some way the City Administrator could introduce all the new staff members to the Board. Mr. Welch invited all board members to stop by City Hall to meet new staff. Alderman Bowman also asked about limb pickup/drop off for residents who had tree limbs knocked down during the last major storm.

9. Report from the Mayor

Reminder about Farmer's Market every Saturday and also Junk in the Trunk 2nd Saturday of each month. July 4th Celebration coming up at the park. Mayor Hasek extended thank you to Alderman Stafford for his service to the City.

10. Adjourn From Regular Session

Motion by Alderman Dickerson and second by Alderman Milner to adjourn at 8:14 p.m. Motion carried.

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Brian Hasek, Mayor & Ex-Officio
Chairman of the Board of Aldermen

ATTEST:

____
Randall K. Jones, City Clerk

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **John Hofer, Director**

DATE: **June 13, 2017**

SUBJECT: **Parking Regulations on Elm Street (Price to Halsey)**

Type of Item: *Approval*

At the February 21, 2017 Board of Aldermen meeting an ordinance was passed prohibiting parking on Elm Street between Price Street and Halsey Street. At a recent Board of Aldermen Mayor Hasek asked that this item be brought back for further discussion.

When this item was brought to the Public Safety Committee on January 12, 2017 and to the Board of Aldermen on February 21, 2017 the staff recommendation was for no Parking on the South side of Elm Street at all times and no parking on the North side of Elm street on school days between 7 am and 4 pm. Staff recommends this same proposal be adopted.

Council Bill No. 043, Second reading

Ordinance No.

An Ordinance of the Board of Aldermen to Amend Section 355.010, Schedule 2, of the Harrisonville Code of Ordinances Regarding Parking/No Parking on Elm Street between Price Street and Halsey Street

WHEREAS, the City wishes to amend Section 355.010, Schedule 2, of the Harrisonville Code of Ordinances concerning no parking zones on Elm Street between Price Street and Halsey Street,

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI, AS FOLLOWS:

Section 1. Severability. If any section, subsection, sentence, clause, phase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 2. That Section 355.010 Schedule 2 of the Harrisonville Code of Ordinances is amended to include the no parking restrictions as set forth in Section 3.

Section 3: That from and after the effective date of this ordinance, parking shall be permitted and/or prohibited as hereinafter described:

No Parking on the south side of Elm Street between Price Street and Halsey Street at all times, and No Parking on the north side of Elm Street between Price Street and Halsey Street on school days between the hours of 7:00 a.m. and 4:00 p.m.

Section 4. That the City Administrator is hereby directed to establish the necessary signs to advise the public of this ordinance.

Section 5. That any violation of this ordinance shall be punishable as provided by the Code of Ordinances, City of Harrisonville, Section 355.120.

Section 6. Effective Date. That this ordinance shall become effective immediately upon its passage and approval and the establishment of the signs provided for in Section 4 hereof.

Read one time by title only on June 19, 2017 and read for the second time by title only on July 17, 2017. Vote taken as follows:

AYES:

NAYS:

ABSENT:

ABSTAIN:

PASSED and ORDAINED by the Board of Aldermen and **APPROVED** by the Mayor of the City of Harrisonville, Missouri this 17th day of July 2017.

Brian Hasek, Mayor and Ex-Officio
Chairman of the Board of Aldermen

ATTEST:

____
Randall K. Jones, City Clerk
APPROVED by the Mayor this 19th day of June 2017

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Happy Welch, City Administrator**

DATE: **June 28, 2017**

SUBJECT: **Trim Agrmnt with Legion**

Type of Item: *Approval*

Since we utilize the parking lot that the Legion owns across the street from city hall at no cost, I think it would be courteous if we would trim the tree limbs that are hanging down into the parking and walking areas and away from the Legion Hall. Board needs to approve the agreement so it can entered into by both parties.

Council Bill No. 047

Resolution No.

Tree Trimming Agreement with American Legion

A Resolution of the Board of Aldermen of Harrisonville, Missouri Authorizing the City Administrator to enter into agreement with the American Legion for tree trimming services.

WHEREAS, the **City** offers to perform a one time tree trimming for the **LEGION** parking area used by the City as a courtesy of the **LEGION** (the "**Trimming**"); and

WHEREAS, the **LEGION** is willing to consent to the **Trimming**, authorizes the **City** to enter the **Property**, and agrees to waive liability with respect to the trees trimmed.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI, AS FOLLOWS:

Section 1: That the City Administrator of the City of Harrisonville is hereby authorized and directed to enter into an Agreement with the American Legion to provide tree trimming services;

Section 2: That this resolution shall become effective immediately upon its passage and approval.

PASSED AND RESOLVED by the Board of Aldermen and **APPROVED** by the Mayor of the City of Harrisonville, Missouri this 17th day of July 2017.

____

Brian Hasek, Mayor and Ex-Officio

Chairman of the Board of Aldermen

ATTEST:

____

Randall K. Jones, City Clerk

WITNESS my hand and seal this 17th day of July 2017

CONSENT TO ENTER PROPERTY, AND WAIVER OF THE LIABILITY OF HARRISONVILLE, MISSOURI

by American Legion Post 42, Harrisonville

THIS Consent To Enter Property, And Waiver and Indemnification of the Liability of Harrisonville, Missouri ("**Consent and Waiver**") is effective the ____ **day of _______________, 2017**, between the **City of Harrisonville, Missouri**, a municipal corporation of the State of Missouri, (hereinafter "**City**") acting through its duly authorized City Administrator, and the **Harrisonville American Legion Building Corporation,** a Benevolent Corporation of Missouri, 303 E. Pearl St., Harrisonville, Missouri 64701 (hereinafter "**LEGION**").

Witnesseth:

Whereas, the **City** offers to perform a one time tree trimming for the **LEGION** parking area used by the City as a courtesy of the **LEGION** (the "**Trimming**"); and

Whereas, the **LEGION** is willing to consent to the **Trimming**, authorizes the **City** to enter the **Property**, and agrees to waive liability with respect to the trees trimmed.

NOW, THEREFORE, in consideration of the mutual agreements herein contained, the parties to this **Consent and Waiver** have agreed and hereby agree, the **City** for itself, and its successors, and **LEGION** for itself, and its successors, assigns, executors and administrators, as follows:

1. **LEGION** Agrees.

1.1. **LEGION** hereby agrees, consents and authorizes to the **Trimming** by the **City** at its address of 303 E. Pearl, Harrisonville, Missouri (the "**Property**").

1.2. **LEGION** hereby understands and agrees that after the **City** completes the **Trimming** within the next 60 days, that the **City** is not obligated nor required for any reason to perform any **Trimming** of any kind in the future.

1.3. **LEGION** understands and agrees the **City** will perform the **Trimming** only at the **Property**, and the scope, timing of and extent of the **Trimming** will be solely at the discretion of the **City**.

1.4. **LEGION,** in consideration for the **Trimming,** hereby waives, releases and forever discharges the **City**, its employees, staff, and public officials ("**City and Staff**") from all claims, actions, demands, damages, costs, loss of service in any way growing out of bodily and personal injuries and property damage resulting from the **Trimming**, whether now of in the future, and **LEGION** will indemnify and hold harmless the **City and Staff** from any such claims.

1.5. **LEGION** understands and agrees that, as a result of the **City** performing the **Trimming**, the **City** is not guaranteeing the survival or thriving of any tree trimmed, nor shall the **City** bear any responsibility or liability with respect to the survival or condition of any tree trimmed.

1.6. **LEGION** understands and agrees that all **City** employees involved in the **Trimming** shall remain under the complete control and direction of the **City**.

2. **City** Agrees.

2.1. The **City** agrees that it shall perform all services and duties in a good and workmanlike manner, and will remove the tree debris when the **Trimming** is complete.

2.2. The **City** agrees that it shall be responsible for all salaries, payments, wages, insurance and benefits that may be due any **City** employee who performs the **Trimming**.

2.3. The **City** shall furnish all equipment, supplies, fuel, employees, and labor necessary to perform the **Trimming**.

3. It is understood and agreed that the intention of the parties is that the **City** is an independent contractor. Furthermore, this **Consent and Waiver** does not cause the **City** to be an employee, agent, or partner of the **LEGION** for any reason whatsoever.

4. The **LEGION** and **City** each represent and warrant to the other that the person or entity signing this **Consent and Waiver** on behalf of such party is duly authorized to execute and deliver this **Consent and Waiver** and to legally bind the party on whose behalf this **Consent and Waiver** is signed to all of the terms, covenants and conditions contained herein.

IN WITNESS WHEREOF, the parties hereto have executed or caused to be executed this **Consent and Waiver** on the date and year first above written.

City of Harrisonville, a Missouri municipal corporation	**Harrisonville American Legion Bldg. Corp.**, a Benevolent Corporation of the State of Missouri
By: Happy Welch, City Administrator	By: Roy Helt,
Date: ____________________	Date: ____________________

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Happy Welch, City Administrator**

DATE: **July 12, 2017**

SUBJECT: **Midwest Public Risk 2017 Renewal**

Type of Item: *Approval*

Our annual vehicle/liabilityWorker's Compensation coverage renewal is due with Midwest Public Risk with our coverage limits, deductibles and liability details included for your review. Our premiums this year for Worker's Compensation and general coverage increased $38,048.99 to $661,626.57

Staff recommends renewing with MPR.

Council Bill No. 048

Resolution No.

Midwest Public Risk 2017 Renewal

A Resolution of the Board of Aldermen of Harrisonville, Missouri Authorizing the City Administrator to enter into agreement with Midwest Public Risk for Fiscal Year July 1, 2017 through June 30, 2018.

Whereas, The City of Harrisonville's ("City") vehicle/liability Worker's Compensation coverage renewal is due with Midwest Public Risk, and the City's proposed coverage limits, deductibles and liability details are attached to this Resolution;

Whereas, Midwest Public Risk proposes to increase the City's premiums this year for Worker's Compensation and general coverage by $38,048.99 to $661,626.57; and

Whereas, the Board of Alderman of the City believe it in the best interest of the City and its residents for the City to renew its coverage with Midwest Public Risk.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI, AS FOLLOWS:

Section 1: That the City Administrator of the City of Harrisonville is hereby authorized and directed to execute agreement with Midwest Public Risk for Fiscal Year July 1, 2017 through June 30, 2018.

Section 2: That this resolution shall become effective immediately upon its passage and approval.

PASSED AND RESOLVED by the Board of Aldermen and **APPROVED** by the Mayor of the City of Harrisonville, Missouri this 17th day of July 2017.

____

Brian Hasek, Mayor and Ex-Officio

Chairman of the Board of Aldermen

ATTEST:

____

Randall K. Jones, City Clerk

WITNESS my hand and seal this 17th day of July 2017

Midwest Public Risk
19400 East Valley View Parkway
Independence, MO 64055

MEMORANDUM

DATE: July 11, 2017

TO: Midwest Public Risk of Missouri Liability Members

FROM: Terry W. Norwood, CEO

RE: Liability, Crime and Employee Fidelity Coverage, Motor Vehicle Physical Damage Coverage and Property Coverage Summary

Attached is the MPR of Missouri Coverage Summary document for your review and signature.

Please sign and return one original to: Alyson Thompson
Midwest Public Risk
19400 E Valley View Pkwy
Independence, MO 64055

Keep a signed copy for your files.

For reference throughout the policy year, both the Property Coverage Document and Liability Coverage Document are available attached to this email and in Origami.

If you have any questions, please contact me at 816-292-7500.

Thank you.

Terry W. Norwood

Terry W. Norwood, CEO
Midwest Public Risk

Enclosures

MPR
MIDWEST PUBLIC RISK
19400 E Valley View Pkwy
Independence, MO 64055

LIABILITY, CRIME AND EMPLOYEE FIDELITY COVERAGE, MOTOR VEHICLE PHYSICAL DAMAGE COVERAGE AND PROPERTY COVERAGE COVERAGE SUMMARY 2017-2018

Member Entity: Harrisonville **Policy #** MPR 086

Membership Date: 12/31/2006

Coverage Period: 7/1/2017 To: 6/30/2018

Member Rep: Happy Welch

Phone: 816-380-8916

Email: hwelch@ci.harrisonville.mo.us

This **Member entity**[1] has the following Coverages through MPR of Missouri in this Coverage Period:

x	General Liability	x	Property
x	Auto Liability	x	Boiler & Machinery
x	Sewer Liability	x	Inland Marine / EDP
x	Law Enforcement Liability	x	Auto Physical Damage
x	Public Official / Employment Liability	x	Earthquake
x	Crime	x	Flood
x	Cyber Liability		

MPR of Missouri is created by authority granted by the laws of the State of Missouri to provide risk underwriting and risk management services to eligible entities per Mo. Rev. Stat. § 537.620. MPR of Missouri is a separate legal and administrative entity as permitted by Missouri law.

The **Member entity** listed above is eligible for membership in MPR of Missouri. **Member entity** agrees to be a member of MPR of Missouri and to avail itself of the benefits of membership.

This Coverage Summary details certain obligations of MPR of Missouri and the **Member entity**. Except for specific coverage limits or annual aggregates and **Member entity** deductibles or retentions contained in this Coverage Summary, the provisions of the Bylaws, Liability, Crime and Employee Fidelity Coverage Document, Property Coverage Document and MPR of Missouri rules, administrative procedures shall prevail in any dispute. The **Member entity** agrees that any dispute between the **Member entity** and MPR of Missouri shall be resolved in the manner stated in the Bylaws.

Member Entity Obligations

[1] All terms in bold in this document are used as defined in the Liability, Crime and Employee Fidelity Coverage Document.

The **Member entity** is responsible for the payment of the deductibles listed below. The deductibles must be satisfied before MPR of Missouri has any obligation to make any payments on any **Member's** behalf. At MPR of Missouri's sole option, the **Member's** deductible may be subtracted from any funds due the **Member entity**. The deductibles apply on a **liability event** basis. The **Member** deductibles are as follows:

Member Deductibles

$2,500	General Liability	$1,000	Property
$1,000	Auto Liability	$2,500	Boiler & Machinery
$10,000	Sewer Liability	$1,000	Inland Marine / EDP
$2,500	Law Enforcement Liability	$500	Auto Physical Damage
$2,500	Public Official / Employment Liability	$2,500	Earthquake
$1,000	Crime	$2,500	Flood
$5,000	Cyber Liability		

* Sewer Liability deductible is subject to the "three-strikes rule". See coverage document for details.

MPR of Missouri Obligations

After the **Member entity** has satisfied the deductible, MPR of Missouri shall be responsible for paying all remaining costs, including damages and indemnification to the Limits of Liability stated below. Limits of coverage include the **Member's** deductible. Limits of Liability include allocated loss adjustment expenses.

Regardless of the number of subjects of coverage or the time period covered by any claim or claims, or the number of claimants, or the number of premium payments made, the limits of liability shall not be increased nor shall the limits of liability be cumulative from year to year.

Limits of Liability-Liability, Crime and Employee Fidelity

Coverage	Limit of Liability
1. Liability	
a. under Sovereign Immunity per accident or occurrence	a. Per Section 537.600 RSMO., *et seq.*
b. under Sovereign Immunity per person	b. Per Section 537.600 RSMO., *et seq.*
c. not under Sovereign Immunity per accident or occurrence	c. Per Section 537.600 RSMO., *et seq.* plus $1,000,000
d. not under Sovereign Immunity per person	d. Per Section 537.600 RSMO., *et seq.* plus $1,000,000
2. Uninsured and Underinsured Motorists	
a. per person	a. $ 100,000
b. per accident or occurrence	b. $ 200,000
3. Crime and Employee Fidelity	a. $ 1,000,000
4. Annual Member Program Liability Aggregate Limit for 1-3 above	
a. under Sovereign Immunity	a. Per the accident or occurrence limit in Section 537.600 RSMO., *et seq.*
b. not under Sovereign Immunity	b. Per the accident or occurrence limit in

	Section 537.600 RSMO., *et seq.* plus $1,000,000
5. Annual Program Liability Aggregate Limit	$ 25,000,000

Limits of Liability-Property

Coverage	Limit of Liability	
1. Property	Member Insured Values:	Per Property Schedule
	Program Aggregate:	$ 400,000,000
2. Motor Vehicle Physical Damage		
a. per vehicle	a. Subject to Property Coverage Document	
b. per incident	b. Subject to Property Coverage Document	
3. Equipment Breakdown (Boiler and Machinery)	a. Included in Property Limit	

Amendments

1. Motor Vehicle Physical Damage Coverage

Motor Vehicle Physical Damage Coverage is a separate coverage and only those sections in the Property Coverage Document that are specifically made applicable to Motor Vehicle Physical Damage Coverage shall pertain to this coverage. Member entities are required to insure all motor vehicles with MPR of Missouri for motor vehicle damage. To be insured under the Property Coverage Document, the motor vehicle must be specifically listed on the member's auto schedule on file with MPR of Missouri within the most recent quarter (3 months) of acquisition.

MPR of Missouri will pay, subject to **Member** deductible and Limits of Liability for Motor Vehicle Physical Damage stated in the Property Coverage Document, for damage or loss of the **Member**'s motor vehicles as defined in the Property Coverage Document or those motor vehicles of which the **Member entity** obtained use in public service for interim or emergency use without acquiring title to such vehicles, provided that a claim is filed during the period of Membership in MPR of Missouri, subject to the following:

a. the **Member entity** must have selected Motor Vehicle Physical Damage and the Coverage Summary must so indicate. MPR of Missouri may, at MPR of Missouri's sole option, replace and repair or pay the replacement cost value of the vehicle less the **Member** deductible. The salvage value of the vehicle shall inure to MPR of Missouri.

b. the maximum amount MPR of Missouri will pay, per motor vehicle, is the actual cash value of the vehicle immediately prior to the loss less the **Member** deductible. The maximum amount MPR of Missouri will pay for all motor vehicles involved in an incident is the Limits of Liability for Motor Vehicle Physical Damage contained in the Coverage Summary.

MPR of Missouri will not pay for any loss or damage to a motor vehicle that is due to inadequate or improper maintenance, wear and tear, freezing, mechanical or electrical breakdown or failure, or tire repair or tire replacement.

Motor vehicles used in the business of transporting any hazardous material as defined by the U.S. Environmental Protection Agency are specifically excluded.

Actual Cash Value means cost of replacing damaged or destroyed covered property of like kind and quality less an amount for age, depreciation, and obsolescence.

2. Major Motor Vehicle Physical Damage Coverage

Major Motor Vehicle Physical Damage Coverage applies only to fire, ambulance and public works motor vehicles that have a minimum replacement cost of $100,000 and the motor vehicle must be specifically listed on the member's auto schedule on file with MPR of Missouri within the most recent quarter (3 months) of acquisition.

Motor vehicle means the **Member entity**'s motorized ambulances, firefighting or public works equipment that has a replacement cost of at least $100,000 and is licensed, or is eligible to be licensed, for travel on public roads. Motor vehicle is further defined as autos, vehicles, contractor's equipment and mobile equipment that are specifically scheduled on the member's auto schedule on file with MPR of Missouri within the most recent quarter (3 months) of acquisition. The definition includes the equipment routinely carried on or in the motor vehicle.

The **Member** deductible for motor vehicle physical damage must be satisfied before MPR of Missouri will make any payment. The **Member** deductible applies to each vehicle. MPR of Missouri will pay the replacement cost, in excess of the **Member's** deductible for the motor vehicle and damaged equipment that is normally carried on or in the motor vehicle. Replacement cost means the actual cost to repair or replace damaged or lost covered property with property of similar quality, age, value utility and usage. It does not mean identical equipment.

If the **Member** does not replace the motor vehicle, the most MPR of Missouri will pay is the actual cash value minus the **Member**'s deductible.

3. School Member Entity for Liability, Crime and Employee Fidelity Coverage

This **Member entity:**

NA is a public K-12 school or community college and is paying a casualty premium based on such activity

Acknowledgements

____
Member

Terry W. Norwood, CEO
Midwest Public Risk

MIDWEST PUBLIC RISK OF MISSOURI
LIABILITY, CRIME AND EMPLOYEE FIDELITY

2017 COVERAGE DOCUMENT

Preface to Coverage Document

The following evidences the general intent of the **Member entities** and the agreement of each respective **Member entity** to be bound by the terms and conditions of this Coverage Document:

The **Member entities** of "Midwest Public Risk of Missouri ("MPR of Missouri" or "MPR")", by and through their duly elected Board of Directors, in accordance with MPR of Missouri's Articles of Incorporation and pursuant to its Bylaws, which are fully incorporated herein, have drafted and adopted this Coverage Document, the contents and language of which reflect the intent of those **Member entities** of MPR of Missouri participating in the Liability, Crime and Employee Fidelity plan, each of whom is deemed to have read, understood, and ratified the same, and is bound by the terms and conditions hereof. The purpose of this Coverage Document is to describe *generally* the nature, scope, and intent of the Liability, Crime and Employee Fidelity coverage, interpretation of which has been, and will continue to be as set forth in MPR's Bylaws, in conjunction with this Coverage Document and the Articles of Incorporation, when all are construed together to effectuate the purposes of the Liability, Crime and Employee Fidelity plan of MPR. The **Member entities**, by adopting and ratifying this Coverage Document, understand that ***this Coverage Document is not now, nor has it ever been, a contract of liability insurance coverage*** and ***it is not a contract of insurance, nor is it to be construed as such***, notwithstanding the inclusion or use of terms of art or phrases commonly used by or within the commercial insurance industry.

Common Coverage Document Conditions

All Coverage Sections included in this Coverage Document are subject to the following:

Certain terms and words have special meanings and are defined either when used in this Coverage Document or in Section 4 - Definitions. Defined terms are printed in bold type when used in this Coverage Document. The singular encompasses the plural and the plural the singular.

Section 1
Liability Coverage

Limits of Coverage, Claim Settlement, Legal Defense, and Subjects of Coverage

1.00 MPR of Missouri will pay on behalf of the **Member** all monies the **Member** becomes legally obligated to pay as **damages** arising out of one of the Subjects of Coverage A. through E. below. Such **liability event** shall have first occurred on or after July 1, 2017 and within the period of membership in MPR of Missouri.

A. **Bodily injury** arising out of an **incident**;
B. **Property damage** arising out of an **incident**;
C. **Personal injury**;

D. **Employee benefits program administration liability**;

E. **Motor vehicle** liability, including personal and property protection and residual liability arising out of an **incident**.

1.01 MPR of Missouri will pay on behalf of the **Member** all monies the **Member** becomes legally obligated to pay as **damages** arising out of a **wrongful act** (Coverage F.) which both first occurred and was reported within the period of membership in MPR of Missouri.

1.02 MPR of Missouri may, at its discretion, investigate any **liability event** and settle any **claim** or lawsuit that may result from the Subjects of Coverage. MPR of Missouri's right to settle any **claim** or lawsuit is without regard to the dollar amount of the settlement and includes **claims** or lawsuits fully or partially within the **Member's** deductibles. MPR of Missouri has the right and the duty to defend any lawsuit seeking **damages**. MPR of Missouri's right and duty to defend shall end when payments for judgments or settlements and/or **allocated loss adjustment expense** exceed the Limits of Liability stated in the Coverage Summary. MPR of Missouri shall have the exclusive right to select legal defense counsel for any lawsuit brought under this Coverage Document. MPR of Missouri shall have no duty to defend the **Member** against any lawsuit to which this Coverage Document does not apply. MPR of Missouri's right and duty to defend shall also end when MPR of Missouri reaches a potential settlement with a claimant and the **Member entity** refuses to allow the settlement to go forward; MPR's duty to indemnify shall be capped at the amount of the potential settlement, and the **Member entity** shall assume responsibility for all **allocated loss adjustment expense** and all additional indemnity expense from the date of its refusal.

1.03 Regardless of the number of subjects of coverage or the time period involved in any **claim** or the number of claimants, or the number of contribution payments made, MPR of Missouri's liability shall not exceed the Limits of Liability stated in the Coverage Summary nor shall the Limits of Liability be cumulative from year to year. All **claims** for **damages** arising out of Subjects of Coverage A. through E. shall be deemed a single **claim** occurring at the time of the first injury regardless of the number of **liability events** alleged if the **claims** share as a common connection, tie or link any fact, circumstance, situation, event, transaction, cause or series of related facts, circumstances, situations, events transactions or causes. All **claims** for **damages** arising out of any **wrongful acts** shall be deemed a single **claim** made at the time the first such **claim** is made regardless of the number of **wrongful acts** alleged if the **claims** share as a common connection, tie or link any fact, circumstance, situation, event, transaction, cause or series of related facts, circumstances, situations, events transactions or causes. Any **claim** brought, or capable of being brought, in one lawsuit shall be deemed a single **claim**.

1.04 Period of Membership is as stated in the Coverage Summary under "Coverage Period" except that the Period of Membership shall end immediately upon the **Member entity's** termination of membership if such termination is prior to the date set forth in the Coverage Summary. A **Member entity** that terminates membership in MPR of Missouri shall have extended reporting periods for a **claim** arising out of a **wrongful act** (Coverage F.) that first occurred during the Period of Membership. This extended reporting period shall be 30 days from the date of termination of membership and shall not require additional contributions.

Any such **claim** reported after the end of this extended reporting period shall not be defended or indemnified by MPR of Missouri. However, MPR of Missouri and the **Member entity** may agree to a further extension of the reporting periods subject to additional contributions.

1.05 MPR of Missouri will pay compensatory **damages** that an **employee** of a **Member entity** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **bodily injury** only. This coverage applies only when the **employee** is an authorized user, driver, or passenger in a licensed **motor vehicle** owned or leased by the **Member entity**. **Uninsured motor vehicle** means a **motor vehicle** that has no **bodily injury** bond or liability insurance policy in effect at the time of the **incident** or the owner or operator of the **motor vehicle** is unknown. The most MPR of Missouri will pay is $100,000 per person and $200,000 per **incident**, as specified in this Coverage Document. No **Member entity** deductible applies to this coverage and such payments shall be in addition to any other limits specified in this Coverage Document or the Coverage Summary.

1.06 MPR of Missouri will pay compensatory **damages** that an **employee** of a **Member entity** is legally entitled to recover from the owner or operator of an **underinsured motor vehicle** because of **bodily injury** only. This coverage applies only when the **employee** is an authorized user, driver, or passenger in a licensed **motor vehicle** owned or leased by the **Member entity**. **Underinsured motor vehicle** means a **motor vehicle** that had, at the time of the **incident**, a **bodily injury** bond or liability insurance policy with policy limits less than the limits provided in this paragraph. The most MPR of Missouri will pay is the difference between the bond or insurance policy payment on the **underinsured motor vehicle** and the limits, $100,000 per person and $200,000 per **incident**, specified in this Coverage Document. No **Member entity** deductible applies to this coverage and such payments shall be in addition to any other limits specified in this Coverage Document or the Coverage Summary.

1.07 MPR of Missouri will pay the actual expenses, up to $5,000 per person, for **emergency first aid** given to persons for **bodily injury** arising out of an **incident** only to which this Coverage Document applies. The **bodily injury** must have (1) occurred on premises owned or leased by the **Member entity** or (2) arise directly out of the use of a motor vehicle owned or leased by a **Member entity**.

1. This coverage shall be provided without regard to fault.

2. No **Member entity** deductible applies to **emergency first aid** coverage, and such payments shall be in addition to any other limits specified in this Coverage Document or the Coverage Summary.

3. The exclusion in Section 3.11 shall not apply to this coverage if the **bodily injury** is sustained by a participant in the course of a **Member entity's** department of parks and recreation program activity.

4. The **emergency first aid** must be given within one year of the incident giving rise to the **bodily injury**.

1.08 This Coverage Document or any amendment to it is not intended to, nor does it waive, nor shall it be construed as waiving in any way whatsoever, any sovereign immunity or official immunity provided to the **Member entities** or their officials, officers or **employees** by the Constitution of the State of Missouri or by any federal, state, or local law, ordinance or custom. Each **Member entity** is obligated to assert sovereign or official immunity when such defense(s) are applicable. The terms "sovereign immunity" and "official immunity" shall be given the broadest interpretation allowed by law.

1.09 Payments are limited as follows:

1. To the Limits of Liability stated in the Coverage Summary. Those limits shall be the maximum payable per **liability event** under any circumstances or set of facts and shall include **damages** and **allocated loss adjustment expense**. The most MPR of Missouri will pay is the difference between the **Member's** deductibles and the Limits of Liability stated in the Coverage Summary.

2. To the maximum amount of monetary liability for a **Member entity** for **claims** for which sovereign immunity or official immunity has been waived pursuant to Missouri law. This provision is applicable even if the **Member entity** has purchased, from MPR of Missouri or others, for exposures under federal law, or other state law, coverage limits greater than the maximum amount of monetary liability for losses pursuant to Missouri law.

3. This Coverage Document shall be strictly interpreted in order to be consistent with the maximum amount of monetary liability per individual or **liability event** for which sovereign or official immunity has been specifically waived or abrogated by Missouri law. The maximum amount of monetary liability shall be adjusted as required by Missouri law.

4. MPR of Missouri has no duty and will not exceed the coverage limit, but any resulting deficiency from the aggregate operation may, in the discretion of the Board of Directors, result in an assessment to each member entity, its relative percentage of the total contributions required to eliminate the deficiency, and the member entity will pay such assessment as determined by the Board of Directors.

5. All of the foregoing is further limited to the extent that monies are available from MPR of Missouri funds or MPR of Missouri reinsurance or excess insurance coverages.

    (a) If MPR of Missouri's resources are depleted or unavailable, each Member is responsible for all of its own unpaid obligations, including, but not limited to, all damages and allocated loss adjustment expense, unless reinsurance or excess insurance is available.

    (b) If MPR of Missouri's reinsurance is depleted or unavailable, each Member is responsible for all of its own unpaid obligations, including, but not limited to, all damages and allocated loss adjustment expense in the reinsured level.

(c) If MPR of Missouri's excess insurance is depleted or unavailable, each Member is responsible for all of its own unpaid obligations, including, but not limited to, all damages and allocated loss adjustment expense that should be covered by the excess insurer.

6. MPR of Missouri shall have no responsibility to advance or pay on behalf of any **Member entity** its deductible.

Section 2
Crime and Employee Fidelity Coverage

2.00 **Crime** and **Employee Fidelity** Coverage is a separate coverage and only those sections of this Coverage Document that are specifically made applicable to **Crime** and **Employee Fidelity** Coverage shall pertain to this coverage.

2.01 MPR of Missouri's liability hereunder is limited to the Limits of Liability stated in the Coverage Summary. Those limits shall be the maximum payable under any circumstances or set of facts and shall include **damages** but not **allocated loss adjustment expense**. The most MPR of Missouri will pay is the difference between the **Member's** deductibles and the Limits of Liability stated in the Coverage Summary.

2.02 **Employee Fidelity** means loss of **money**, securities, or other personal property as a result of any fraudulent or dishonest act or acts committed by any **Member entity's employee**, acting alone or in collusion with others. It also means the loss of **money**, securities, or other personal property as a result of the failure of any **employee**, acting alone or in collusion with others, to perform faithfully his or her duties or to account properly for all **money**, securities, or personal property received by virtue of his or her office or employment with the **Member entity**.

2.03 **Crime** means the loss of the **Member's money**, securities or personal property by theft by any person or persons, known or unknown, who are not **employees.**

2.04 **Crime** and **Employee Fidelity** Coverage is not provided for any loss:

1. caused by any **employee** if any of the **Member entity's** officials or officers had prior knowledge of any fraudulent or dishonest act committed by the **employee**;

2. occurring or caused by any **employee** whose fidelity bond or similar insurance with the **Member entity's** insurer was cancelled before the effective date of the **Member entity's Crime** and **Employee Fidelity** Coverage with MPR of Missouri; or,

3. discovered during or after taking inventory unless the **Member** can prove the loss using evidence completely separate from the inventory process.

2.05 Loss of **money**, securities, and other personal property will be valued as follows:

1. **Money**—MPR of Missouri will replace the **money** but will not pay for the loss of any investment earnings or income.

2. Securities—MPR of Missouri will pay the lower of the value of the securities at the close of the last trading day before the loss was discovered or the actual cost to replace the securities. MPR of Missouri will not pay for the loss of income or any investment earnings or dividends.

3. All other personal property—MPR of Missouri will pay the **actual cash value** of the personal property on the day the loss was discovered not to exceed the cost to repair or replace the property with property of like kind and quality.

4. All values shall be in U.S. currency. Any foreign currency will be valued in U.S. currency. Counterfeit foreign **money** or securities are not recoverable.

2.06 All **claims** must be filed within the shorter of 120 calendar days after discovery of the loss or 3 calendar years from the date of loss. **Member entities** that terminate MPR of Missouri Liability, **Crime** and **Employee Fidelity** coverage shall have 30 days after the effective date of the termination to file a **claim.**

2.07 All provisions of this Coverage Document except Sections 1.00, 1.01, 1.05, 1.06, 1.07, 1.09 and 3.33 shall apply to **Crime** and **Employee Fidelity** Coverage.

Section 3
Exclusions

3.00 Coverage is not provided for any demand, notice, **claim** or lawsuit arising out of or in any way connected directly, indirectly, or consequentially with, from, in, or due to any of the following:

3.01 The actual, alleged or threatened discharge, dispersal, application, release, seepage, migration, inhalation, ingestion, exposure to or escape of **pollutants**, hazardous material or contamination which requires remediation (clean-up) or causes or is capable of causing damage or injury to property or person, however or whenever caused, including by way of illustration but not limitation:

1. at or from any premises, site or location that is or was at any time owned, leased, used, controlled, loaned to, or rented by or on behalf of the **Member**;

2. at or from any premises, site or location that is or was at any time used by or for a **Member** or others for the handling, storage, disposal, processing, or treatment of waste;

3. which are or were at any time transported, handled, stored, treated, disposed of or processed as waste by or for a **Member** or for any person or any organization for whom a **Member** may be legally responsible;

4. at or from any premises, site or location on which a **Member** or any contractors or subcontractors working directly or indirectly on a **Member's** behalf are or had been performing operations:

   (a) if the **pollutants** are brought on or to the premises, site or location in connection with such operations; or

   (b) if the operations are or have been to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize or in any way respond to or assess the effects of **pollutants**; or

5. any cost, loss, **damages**, **claim** for **damages** or any lawsuit arising out of any directive, demand, or request, whether governmental, judicial or otherwise that the **Member** or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to or assess the effects of **pollutants**;

This exclusion is intended to be an absolute exclusion. This exclusion applies even if the **pollutants** are a product regularly used by the **Member** or belong in the environment in which the **Member** routinely works. However, this exclusion shall not apply to claims solely for sewer backup that fall completely within the exclusion for sewer backups or overflows (3.41).

3.02 **Motor vehicles** used in the business of transporting any hazardous material as defined by the U.S. Environmental Protection Agency;

3.03 Any gas companies, electric companies, or gas or electric **utility plant(s),** in which any **Member** owns or leases any interest except (1) property of a **Member Entity** that is used solely for transmission away from the location of generation, manufacture, sale or furnishing, and (2) **claims** for **bodily injury**, or **property damage** against a **Member Entity** (and/or **Members** who qualify as such because of their relationship to that **Member Entity**) that has a Power Generation Liability Data Form that has been accepted by MPR Missouri for this Coverage Period. This exception subpart (2) shall only apply to secondary power generation activities and property used for such secondary power generation activities;

3.04 Mining operations;

3.05 **Dams**, including but not limited to any liability arising out of the rupture, bursting, overtopping, accidental discharge or partial or complete structural failure of any **dam,** except that this exclusion shall not apply to a dam that is scheduled on the coverage summary at the time of the liability event;

3.06 Failure to adequately supply water or steam. This exclusion does not apply if the failure to supply results from the sudden and accidental injury to tangible property owned by or used by the **Member** to procure, produce, process or transmit the water or steam;

3.07 Hospitals, medical clinics, or health care clinics. This exclusion does not apply to outpatient treatment provided by a county health department;

3.08 Private schools, including colleges and universities;

3.09 Ownership, maintenance, loading or unloading, use or operation of any aircraft, airfields, runways, marinas or any boat over 75 feet in length;

3.10 Any obligation for which any **Member** may be held liable under any workers' compensation, unemployment compensation or disability benefits law or any similar law;

3.11 Except as otherwise provided in Section 1.07, any person while attending, watching, observing, practicing for, or participating in, any contest, demonstration, exhibition, show, athletic event or athletic competition, other than a **race**;

3.12 Any person while attending, watching, observing, practicing for, or participating in, a **race**;

3.13 Any pyrotechnic demonstration or show; including any pyrotechnican;

3.14 **Bodily injury** to an **employee** or volunteer arising out of and in the course of employment or voluntary work for any **Member entity**, including any **claims** by a spouse, child, parent, brother, sister or other dependent or heir of such **employee** or volunteer as a consequence of such **bodily injury**, unless the spouse, child, parent, brother, sister or dependent has a private cause of action emanating from independent duty, as opposed to a derivative claim. This exclusion applies whether the **Member** may be liable as an employer or in any other capacity and to any obligation to share **damages** with or repay someone else who must pay **damages** because of the injury. This exclusion does not apply if liability is assumed under a **covered contract**;

3.15 Any criminal act, as to the person or entity proven, or admitted, to have committed such act or who has not contested the commission of such act. Any voluntary plea other than innocent shall be construed as an admission of guilt. The act of one or more persons committing a criminal act will not be imputed to any other person or entity unless they intentionally and knowingly committed, permitted or authorized the criminal act;

3.16 **Damages** that the **Member** is obligated to pay by reason of an assumption of liability or performance, promise, or guaranty obligations incurred or assumed in a contract or agreement. This exclusion precludes coverage of any **claims** based on a cause of action grounded solely in contract including but not limited to breach of any oral or written employment contract or quasi-employment contract;

This exclusion does not apply to tort liability only:

1. assumed in a **covered contract** or

2. that the **Member** would have in the absence of the contract or agreement;

3.17 Any arbitration award (except any alternative dispute resolution approved in advance by MPR), fee, fine, sanction, contempt cost, penalty, tax or other expense or penalty imposed by any court or governmental agency;

3.18 Any request for relief in any form other than money **damages,** including any request for costs or attorney's fees for claims not covered under this Coverage Document;

3.19 The rendering or failure to render professional services of any type or kind, including, but not limited to, a medical doctor, doctor of osteopathy, health care provider, pharmacist, dentist, attorney at law, architect, emergency medical technician, engineer, nurse, paramedic, or other person required to be licensed to provide a professional service.

1. With respect only to an architect, attorney at law, emergency medical technician, engineer, nurse, or paramedic, this exclusion does not apply to a **Member** who is an **employee** of the **Member entity** and arising out of services rendered solely for and on behalf of the **Member entity**; and

2. With respect only to a **medical director,** this exclusion does not apply to such **medical director** arising out of services rendered solely for and on behalf of the **Member entity.**

3.20 The loss of principal or investment earnings of any public funds or any fiduciary responsibility relating to public funds or to any benefit payable under any **employee benefits program**;

3.21 Failure by a **Member entity** to adequately fund any program or public service, including, but not limited to, **employee benefits programs**;

3.22 Compensation, in any form, including, but not limited to, wages, salary, overtime pay or benefits from any **employee benefits program** to any **employee** of the **Member entity.** For purposes of this exclusion only, an award of front pay or back pay under the Americans with Disabilities Act of 1992 (ADA); the Age Discrimination in Employment Act of 1967 (ADEA) including the Older Workers Benefit Protection Act of 1990; Title VII of the Civil Rights Law of 1964, as amended (1983), including the Pregnancy Discrimination Act of 1978; or the Missouri Human Rights Act shall not be deemed compensation.

3.23 Failure or inability to maintain or secure adequate or collectible insurance or similar coverage or protection;

3.24 Any proceedings before or any penalty imposed by any administrative or regulatory agency created by federal, state or local law;

3.25 The recall, replacement, repair, adjustment or removal of a **Member's** damaged or allegedly damaged **product** or parts thereof;

3.26 Except **Crime** and **Employee Fidelity** coverages as detailed in this Coverage Document, damage to or loss of real or personal property that is owned, rented, leased, or used by or in the care, custody, or control of the **Member**;

3.27 Nuclear reaction or radiation or radioactive contamination or electromagnetic radiation or cellular phone radiation, however or whenever caused;

3.28 Hostile or warlike action or civil disturbance in time of peace or war, including action in hindering, combating or defending against actual, impending or expected attack by:

1. military, naval, or air forces;

2. any government or sovereign power (de jure or de facto) or by an authority maintaining or using military, naval, air forces or any agent of any such government, power, authority or forces;

3. any discharge, explosion or use of any weapon of war employing atomic, fission, fusion or radioactive force will be conclusively presumed to be such a hostile or warlike action by such government, power, authority or forces;

4. insurrection, rebellion, revolution, civil war, usurped power, riot, strikes, civil commotion, or action taken by a governmental authority in hindering, combating or defending against such incident or event;

3.29 Acts of **terrorism**;

3.30 Liquidated damages;

3.31 Exemplary **damages,** punitive **damages** or aggravating-circumstances **damages**, in any form or that portion of any award, judgment or settlement caused by the multiplication of actual **damages** under any federal or state law;

3.32 Loss or **damages** or any liability arising out of or in any way connected with any of the following:

1. the operation of the principles of eminent domain, inverse condemnation, or condemnation by whatever name called regardless of whether such **claims** are made directly against the **Member** or by virtue of any agreement entered into by or on behalf of a **Member**; or

2. any other authority by a **Member** over land and the use of land by whatever name called, including, by way of illustration but not limitation, zoning regulations, rezoning of land, subdivision regulations, variances or permit issuance, regardless of whether such **claims** are made directly against any **Member** or by virtue of any agreement entered into by or on behalf of any **Member**;

However, this exclusion shall not apply to claims solely for sewer backup that fall completely within the exclusion for sewer backups or overflows (3.41). MPR of Missouri may elect, at its sole discretion, to defend under reservation of rights and/or indemnify any **claim** for inverse condemnation, and such election shall not waive MPR of Missouri's right to apply this exclusion as written at any time while a **claim** is pending, or for any **claim.**

3.33 Any form of cyber liability, including:

1. Liability arising from theft, dissemination, and/or use of any confidential information in any **Member's** possession, including, but not limited to, bank, credit card account, and personally identifiable information such as name, address, social security numbers, and Protected Health Information, regardless of how the information is stored or transmitted;

2. Network security liability arising from (i) the unauthorized access to, use of, or tampering with computer systems, including hacker attacks; or (ii) the inability of an authorized third party to gain access to supplier systems and/or any **Member's** data, including denial of service, unless caused solely by a mechanical or electrical failure;

3. Liability arising from the introduction of a **computer virus** or other form of malware into, or otherwise causing damage to, a **Member's** or third person's computer, computer system, network, or similar computer-related property and the data, software, and programs thereon; and,

4. Any error in computer programming or logic or any computer software program or computer hardware system that fails to function as designed or intended.

3.34 Any **claim** brought by one **Member entity** against another **Member entity,** except that this exclusion shall not apply to a **claim** under Subject of Coverage E for **Damages** that fall within the definition of **Property damage**. In the event that a **claim** under Subject of Coverage E seeks **Damages** for **Property damage** and for any other kind or type of **Damages** (including but not limited to **Damages** for **Bodily injury**), this exception applies only to that portion of the **claim** that seeks **Damages** for **Property damage,** and all other portions of the **claim** are excluded;

3.35 Any **claim** where an elected official, in his or her capacity as an elected official, is the plaintiff or claimant;

3.36 Any sworn and uniformed police officer while engaged in **extra duty employment**, also known as "moonlighting". This exclusion does not apply if all of the following conditions are met:

1. The **Member entity** has a written policy regulating moonlighting;

2. The officer has prior approval from the Chief of Police or approval as required by the moonlighting policy; and,

3. The officer is in uniform of the **Member entity**;

3.37 Any violation of a **Member's** fiduciary responsibilities or duties with respect to public property or funds, conservatorship of estate property and funds, bond obligations, **Employee benefits program**, government or private grants, or the Employee Retirement Income Security Act of 1974, including any amendments to that act or similar provisions in federal, state or local law;

3.38 Any **claim** (or liability imputed to a **Member**) under the Employee Retirement Income Security Act of 1974 and amendments thereto, or similar provisions of any federal, state or local statutory law or common law;

3.39 **Damages** that the **Member** is obligated to pay pertaining to tax assessments, tax collections or tax disbursements or seeking a refund of taxes, fees or assessments;

3.40 **Bodily injury, property damage** or **employee benefits program administration liability** under any Coverage provided herein, expected or intended from the standpoint of the **Member**;

3.41 **Sewer backups or overflows**. This exclusion does not apply to liability for **damages**:

1. arising from the first **claim** in any ten (10) year period, related to a given parcel of real property, as identified by the street address of that property, except that the **Member** shall be responsible for the applicable **sewer deductible**;

2. arising from the second **claim** in any ten (10) year period, related to a given parcel of real property, as identified by the street address of that property, regardless of ownership of that real property, except that the **Member** shall be responsible for the applicable **sewer deductible**; and/or,

3. arising from a third or subsequent **claim** related to a given parcel of real property, as identified by the street address of that property, regardless of ownership of that real property, that occurs after ten (10) years have past from the first **sewer backup or overflow claim** related to such real property.

It is the intention of this exclusion that there is no coverage for the third and subsequent **claims** in any ten (10) year period, at a given parcel of real property, as identified by the street address of that property, regardless of ownership of that real property. The **Member** will be solely responsible for such losses as provided by law. Subsection 1 of section 3.41 applies to a **sewer backup or overflow claim** on a given parcel of real property, if more than ten (10) years have past without a **sewer backup or overflow claim** on that property;

3.42 **Property damage** arising out of **subsidence**;

3.43 **Damages** arising out of estimates of probable costs or cost estimates being exceeded or for faulty preparation of bid specifications or plans or failure to award contracts in accordance with statute or ordinance which under law must be submitted for bids;

3.44 Strikes and lockouts, including but not limited to **damages** for loss arising out of a lockout, strike, picket line, replacement or similar actions in connection with labor disputes or labor negotiations;

3.45 W.A.R.N. Act, including but not limited to **damages** for loss arising out of the Workers Adjustment and Retraining Notification Act, Public Law 100-379, 29 U.S.C. § 2101, et seq. (1988), any amendment thereto, the regulations promulgated thereunder, 20 C.F.R. Part 639, or any similar federal, state, or local law;

3.46 Any **claim** seeking to modify any building or property in order to make said building or property more accessible or accommodating to any disabled person;

3.47 Any class action suit, including any putative class action, or litigation or other proceeding in which class certification is alleged or requested. This exclusion applies even after class certification is denied so long as the possibility of an appeal or reconsideration of that denial remains possible.

3.48 **Damages** based upon, arising from or in consequence of any alleged violation of the National Labor Relations Act: 29 U.S.C. § 151-169, the National Labor Management Act (Taft-Hartley Act) – 29 U.S.C. § 141-197, or any amendment thereto, any similar federal state or local law and any Missouri statute addressing labor relations or collective bargaining.

3.49 **Damages** based upon, arising from or in consequence of any alleged violation of the Fair & Accurate Credit Transactions Act or "red flag rule" claims, including any claims based upon, arising from, or in consequence of any form of identity theft.

3.50 Any claims for wrongful termination or other employment-related actions as a result of alleged whistle-blowing or that are alleged to be in violation of public policy.

3.51 Except as provided under Subject of Coverage E, any claims for **damages** arising in whole or in part out of, or in any way relating to, the ownership, maintenance or use of a **motor vehicle.**

3.52 **Bodily injury** under any Coverage provided herein for any claim for sexual abuse, molestation, harassment or acts, regardless of the theory of liability alleged, for the individual **Member(s)** alleged to have committed the abuse, molestation, harassment or acts.

3.53 Any actual or alleged violation of:

a.

1. The Securities Act of 1933;
2. The Securities Exchange Act of 1934;

3. The Public Utilities Holding Act of 1935;

4. The Trust Indenture Act of 1939;

5. The Investment Company Act of 1940; or

6. Any State Blue Sky Laws

b. Based upon common law principles of liability similar to any law list in a. above; or

c. Involving, directly or indirectly

1. Debt security financing, including but not limited to bonds, notes and debentures; or

2. The investment of, or the failure to invest, public funds, including but not limited to the use of derivative investment instruments.

This exclusion applies to any demand, notice, **claim**, or lawsuit seeking damages that arise directly or indirectly, or that are contributed to in any fashion, by acts or omissions excluded in a. through c. regardless of whether or not any **member** sought or received, or allegedly sought or received, any personal profit.

3.54 Any actual or alleged violation of:

1. The Internet Tax Freedom Act ("IFTA");

2. Any state law relating to taxation of persons or entities providing internet service or telecommunications services of any kind;

3. Any claim based upon common law principles of liability similar to any law list in 1-2 above.

3.55 Any actual or alleged violation of the Individuals with Disabilities Education Act ("IDEA"), 20 U.S.C. § 1415, except that this exclusion shall apply at all times to the duty to indemnity, and to the duty to defend after the **allocated loss adjustment expenses** reach the sum of $30,000.00 per claim. It is the intent of this exclusion that MPR shall pay up to the sum set forth in this exclusion as **allocated loss adjustment expenses** only.

3.56 A **drone**, or any use or misuse of a **drone**.

Section 4
Definitions

4.00 The following meanings shall apply to all coverages in this Coverage Document:

4.01 **Actual cash value**
means cost of replacing damaged or destroyed covered property of like kind and quality less an amount for age, depreciation, and obsolescence.

4.02 **Allocated loss adjustment expense**
means all costs to adjust, defend, or settle a specific **claim** or lawsuit, including, by way of illustration but not limitation, attorney fees and related costs, expert witness fees, special claims adjusters and any other expense related to that **claim** or lawsuit. It does not include expenses for MPR staff or third-party administrators retained by MPR to adjust **claims** routinely.

4.03 **Bodily injury**
means injury, harm, sickness, or disease sustained by a natural person, including death.

4.04 **Claim**
means any written request or lawsuit that demands a **Member** pay **damages** for a loss falling under the Subjects of Coverage and this Coverage Document. **Claim** also means a due process complaint notice filed under the IDEA, 20 U.S.C. § 1415. A **Member** giving notice only of a **liability event** is not a **claim** and any **claim** arising from such **liability event** must be timely reported to MPR.

4.05 **Computer virus**
means unauthorized instructions or code of every kind and description that propagate themselves, by any means, through a computer system or network.

4.06 **Counterfeit U.S. currency**
means only counterfeit U.S. currency accepted by the **Member** in good faith without knowledge that it is not genuine U.S. currency.

4.07 **Covered contract**
means any agreement or contract under which the **Member** assumes the tort liability only of another to pay **damages** to a third party because of **bodily injury** or **property damage**. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement. The contract or agreement must precede the **incident** and is subject to all of the terms and conditions of this Coverage Document, and MPR rules. MPR rules mean those procedures and processes adopted by the Board of Directors to administer the program of services offered to its **Members**. A covered contract shall not: (a) defend or indemnify any dentist, medical doctor, pharmacist, architect, attorney, engineer, surveyor or other consultant or advisor providing professional services, or (b) defend or indemnify any person for damage by fire to real or personal property leased, rented, or loaned to the **Member** or (c) insure, guarantee or promise performance.

4.08 **Dam**
means any artificial barrier together with appurtenant works, which does or may impound or divert water, and which either:

1. Is 25 feet or more in height from the natural bed of the stream or water course at the downstream toe of the barrier or from the lowest elevation of the outside limit of the barrier, if it is not across a stream channel or watercourse, to the maximum possible water storage elevation; or

2. Has an impounding capacity of 50 acre-feet or more.

4.09 **Damages**
means money recovered or sought to be recovered through judgments or settlements from a **Member** within the coverages provided by this Coverage Document. **Damages** also includes all interest on any judgment resulting from a lawsuit covered and defended by MPR of Missouri. **Damages** does not include the cost to acquire any real or personal property the title or ownership or use of which is, at any time, held directly, indirectly, or beneficially by a **Member**. **Damages** does not include costs and/or fees, including attorney's fees, sought or requested by a plaintiff or claimant unless the underlying liability to which the request for costs and/or fees is related is itself covered and defended by MPR under this Coverage Document.

4.10 **Drone**
Means an unmanned aerial vehicle of any size.

4.11 **Emergency first aid**
means any medical service or procedure authorized or performed by a licensed medical doctor or by a **Member entity's** emergency medical service.

4.12 **Employee**
means any natural person while performing duties on behalf of the **Member entity** who is compensated directly by the **Member** and is subject to the **Member's** direction and control. It also means all volunteers, elected officials, **Members** of the governing body, and any person officially appointed by the **Member entity** to any board or commission. It includes all present and former **employees**. It does not include any other person or **employees** of independent contractors.

4.13 **Employee benefits program**
means salary, wages, workers' compensation, retirement, pension, deferred compensation, life insurance, savings plan, hospital insurance, medical insurance, dental insurance, vision insurance, unemployment insurance, social security, disability insurance, sick leave, vacation leave, holiday leave or similar programs, plans or insurances made available to past or present **employees** or officials of the **Member entity**.

4.14 **Employee benefits program administration liability**
means record keeping, interpreting, or advising an **employee** or others entitled to benefits of the terms and conditions of any **employee benefits program**. It does not include the payment of any benefit for which the **Member entity** or others are found to be responsible.

4.15 **Extra duty employment**

means providing police-related services, outside of normal work hours and for compensation, to a private individual or organization by a sworn and uniformed police officer.

4.16 **Incident**
means an accident, including continuous or repeated exposure to substantially the same harmful conditions.

4.17 **Law enforcement acts**
Means acts or omissions arising out of a **Member's** duties while acting as a law enforcement official or officer in the regular course of public employment for the **Member entity,** including any vicarious liability alleged as to the **Member entity** or supervisor responsible for that **Member's** actions or omissions.

4.18 **Liability event**
means the Subjects of Coverage A. through E. in Section 1.00, Coverage F. in Section 1.01 and/or the **Crime** and **Employee Fidelity** Coverage in Section 2.

4.19 **Medical director**
means any medical doctor or doctor of osteopathy who is appointed as the medical director of a **Member entity** either as an **employee** of the **Member entity** or pursuant to contract with the **Member entity.**

4.20 **Member**
means a **Member entity**. **Member** also includes the following only while acting within the scope of their duties or operations on behalf of or authorized by the **Member entity**:

1. any former or present **employee**;

2. any former or present elected or appointed official;

3. all other authorities, boards, bureaus or commissions and their past or present members and **employees** provided that such entities are subordinate units of the **Member entity** and are eligible to become a MPR of Missouri **Member**;

4. any authorized driver of a **motor vehicle** owned, rented, leased or used by the **Member**, other than a vehicle dealership, repair facility or other bailment facility. Authorized user or driver includes an **employee's** spouse or dependents if authorized by the **employee** to drive the **motor vehicle**;

5. any **medical director** of a **Member entity**; or

6. as to a specific **liabilty event,** a volunteer who is identified on a list of volunteers provided to MPR Missouri by the **Member entity** before, but not more than ninety-five (95) calendar days before, that **liability event**.

7. For purposes of this Section 4.19, an individual described in (1) or (2) above who is acting as a member of a multijurisdictional enforcement group established according to state law shall be deemed to be acting on behalf of the Member entity when acting on behalf of the multijurisdictional enforcement group.

4.21 **Member entity**
means
1. an entity authorized by Mo. Rev. Stat. § 537.620 or

2. in a state other than Missouri where MPR of Missouri conducts business, an entity authorized by such state's law

to obtain **Liability** and **Crime** and **Employee Fidelity** coverages from MPR of Missouri and who has applied for and has been accepted by MPR Missouri for such coverages from MPR of Missouri as shown in the Coverage Summary issued to such **Member entity**.

4.22 **Member's product**
means any service or property, other than real property, manufactured, sold, handled, distributed, or disposed of by the **Member entity** or others involved with the **Member entity** in the stream of commerce.

4.23 **Money**
means U.S. currency and coins, bank notes, travelers' checks, money orders or **counterfeit U.S. currency** only.

4.24 **Motor vehicle**
means an automobile, truck, motorcycle, trailer, semi-trailer or other motorized land vehicle designed and eligible to be licensed for travel on public roads, including any permanently attached machinery or apparatus. **Motor vehicle** does not include any mobile land vehicles not licensed or eligible to be licensed for use on public roads.

4.25 **Personal Injury**
means **damages** arising out of:

1. false arrest or detention;

2. malicious prosecution or false imprisonment;

3. libel, slander or disparagement of goods, products or services;

4. infringement of copyright, trademark, service mark or misappropriation of style of doing business;

5. violation of privacy rights;

6. violation of civil, statutory or constitutional rights; or

7. wrongful discharge or discrimination or harassment arising out of employment or law enforcement operations.

Personal injury does not include **bodily injury** or **property damage.** **Personal injury** does not include any **claim** for **damages** arising out of a **wrongful act,** and any **claim** other than one for **law enforcement acts** that would fall within the definitions of both **personal injury** and **wrongful act** but for this sentence shall be treated as a claim solely for **wrongful act.** Any claim for **law enforcement acts** that would fall within the definition of both **personal injury** and **wrongful act** but for this sentence shall be treated as a claim solely for **personal injury**.

4.26 **Pollutants**
means any solid, liquid, semi-liquid, gaseous, or thermal irritant or contaminant, including, by way of illustration but not limitation: smoke, vapor, soot, fumes, acids, alkalis, asbestos, chemicals (including, but not limited to, pesticides, herbicides, fertilizers and the like), electromagnetic fields, lead, lead paint, radon, chlorofluorocarbons, organisms or micro-organisms, including fungal pathogens or bacteria, including any fungus or mycota or any byproduct or type of infestation produced by such fungus or mycota, including but not limited to mold, mildew, mycotoxins, spores, or any biogenic aerosols, whether indoors or outdoors, viruses or other pathogens, and waste. Waste includes materials to be recycled, reconditioned, or reclaimed. **Pollutants** also means materials which are included as hazardous under the Superfund Act (CERCLA) or by the Environmental Protection Agency.

4.27 **Property damage**
means physical injury to or destruction of tangible property, including resultant loss of use of that property, or loss of use of tangible property that is not physically injured or destroyed.

4.28 **Race**
means any competition of speed whether involving human, animal or mechanically powered movement and regardless of whether machinery is used in such competition. Examples include, but are not limited to, competitions of speed in running, skating, swimming, horseback riding, bicycling, skate boarding, driving automobiles, motorcycles, mopeds or other similar vehicles, hang gliding or hot air ballooning, etc.

4.29 **Sewer backup(s) or overflow(s)**
means **damages** caused by anything that enters onto the property through or because of sewers or drains from any storm or sanitary sewerage system or appurtenances to those systems.

4.30 **Sewer deductible**
means, in lieu of the deductible in the coverage summary:

1. for the first **claim** for a **sewer backup or overflow**—$10,000;

2. for the second **claim** for a **sewer backup or overflow** on a given parcel of real property in any ten (10) year period, as identified by the street address of that

property, regardless of ownership of that real property—(a) $10,000 and (b) one-half of the remaining loss after the $10,000 in (a) above is applied.

4.31 **Subsidence**
means any **property damage** directly or indirectly arising out of, caused by, resulting from, contributed to or aggravated by the settling, sinking, slipping, falling away, caving in, shifting, eroding, mud flow, rising, tilting, or any other movement of land or earth.

4.32 **Terrorism**
means the use or threatened use of terror, violence, or intimidation or any violent act or acts that are dangerous to human life that appear to be intended to intimidate or to coerce a civil population, to influence government policy, or to affect the conduct of any government.

4.33 **Unfair employment practices**
means employment-related practices for or arising out of any actual or alleged wrongful dismissal, discharge, or termination, either actual or constructive, of an **employee**, employment-related misrepresentation, wrongful failure to employ or promote, wrongful deprivation of career opportunity or reassignment, wrongful discipline, negligent employee evaluation, or sexual or workplace harassment or humiliation of any kind including, but not limited to, the alleged operation of a harassing workplace environment, or unlawful discrimination, whether direct, indirect intentional or unintentional, or failure to provide adequate **employee** policies and procedures.

Unfair employment practices also means **claims** brought under local, state or federal law, whether common or statutory, and shall include, but is not limited to allegations of violations of the following federal laws, as amended, including regulations promulgated thereunder:

1. Americans with Disabilities Act of 1992 (ADA);

2. Civil Rights Act of 1991;

3. Age Discrimination in Employment Act of 1967 (ADEA), including the Older Workers Benefit Protection Act of 1990;

4. Title VII of the Civil Rights Law of 1964, as amended (1983), including the Pregnancy Discrimination Act of 1978;

5. Civil Rights Act of 1866, Section 1981; and

6. Fifth and Fourteenth Amendments of the U.S. Constitution.

4.34 **Utility plant**

Means an electric plant or gas plant as defined in Mo.Rev.Stat. §386.020.

4.35 **Wrongful act**
means an actual or alleged error, misstatement, act, omission, neglect or breach of a **Member's** duty, including misfeasance, malfeasance and nonfeasance, or violation of civil

rights or discrimination, including **unfair employment practices**. **Wrongful act** shall not include claims for **law enforcement acts**.

Section 5
Member Duties, Responsibilities, Other Conditions

5.00 **Member** duties, in case of an event of an **incident, liability event, claim** or lawsuit, are:

1. In the event of an **incident** or **liability event**, the **Member** shall, as soon as possible, provide MPR of Missouri with written notice giving the **Member's** name and other reasonably obtainable information such as the time, place, circumstances, names and addresses of the injured persons and available witnesses. In this context, "as soon as possible" means within 7 calendar days after knowledge of the **incident** or **liability event**. The **Member** shall promptly take all reasonable steps to prevent additional damage or loss from arising out of the same or similar conditions. Failure to take such preventative measures shall not constitute a breach of this condition unless MPR of Missouri has requested the **Member**, in writing, to undertake such preventative measures. Expense of preventative measures is not recoverable from MPR of Missouri.

2. The **Member** shall immediately, but no later than 3 working days of receipt, forward to MPR of Missouri every **claim**, lawsuit, demand, notice, summons and complaint or other process received. Any **claim** or lawsuit that is not immediately submitted to MPR of Missouri for handling shall be denied coverage.

5.01 The **Member** shall cooperate, within MPR of Missouri guidelines (including any policies adopted by MPR of Missouri that apply to panel counsel retained to defend any **Member**), with MPR of Missouri, its staff, attorneys, claims adjusters and consultants in the investigation, defense, and settlement of any **claim** or lawsuit and in enforcing any right of recovery, contribution, or indemnity against any person who may be liable or answerable to the **Member** because of **damages** for which coverage is afforded. The **Member** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The **Member** shall not, except at the **Member**'s own cost, voluntarily make any payment, assume any obligation, or incur any expense other than for **emergency first aid** to persons at the time of an **incident** or **liability event**.

5.02 The **Member** shall comply fully with all terms and conditions contained in the MPR Bylaws, MPR rules, and this Coverage Document.

5.03 The process detailed in the Bylaws shall resolve any dispute between the **Member** and MPR of Missouri. The **Member** agrees that no action shall be taken against MPR of Missouri until the **Member's** obligation to pay has been finally determined by a judgment, including appeals, by a judge or jury or by written agreement. The **Member** stipulates that the county in which MPR of Missouri's principal office is located is the only proper venue in which to commence and prosecute a lawsuit involving MPR of Missouri and the **Member**.

5.04 If the **Member** has or had insurance or other similar protection against a loss covered by MPR, including but not limited to other general or professional liability insurance, MPR of Missouri's coverage shall be excess thereof only and not primary or contributing therewith. Furthermore, any coverage provided under Subject of Coverage E shall be excess over any other valid and collectible insurance available for any vehicle not owned by the **Member Entity.**

5.05 In the event of any payment under this Coverage Document, the **Member** authorizes MPR of Missouri to make **claim** or sue on the **Member's** behalf for rights of recovery against any person or organization. Subject to any applicable limitations in Missouri law, in the event of any payment of benefits to any person or organization under this Coverage Document, if such person or organization is legally entitled to recover such benefits from another party, MPR of Missouri shall, at MPR of Missouri's option and expense, have the right of subrogation or to otherwise pursue recovery from such party.

The **Member** agrees to cooperate fully in such subrogation or recovery efforts. Cooperation includes the prompt execution and delivery to MPR of Missouri of all instruments and papers necessary to secure for MPR of Missouri the **Member's** rights and obligations and to hold in trust all rights of recovery that the **Member** may have against such person or organization. Benefits include both indemnification and **allocated loss adjustment expense**. Any recovery shall be allocated as follows: (1) to MPR of Missouri's recovery expenses; (2) to any **damages** indemnified by MPR of Missouri; (3) to the **Member entity's** deductible; and, (4) the remainder, if any, to MPR of Missouri.

5.06 MPR of Missouri has the right but is not obligated to:

1. make inspections and surveys at any time;
2. give the **Member entity** reports on the conditions MPR of Missouri finds and recommend changes; and
3. perform audits or other examinations to determine if the proper charges or contributions are paid by the **Member entity**.

5.07 Any such inspections, surveys, reports or recommendations relate only to acceptance by MPR of Missouri for coverage and the contributions or fees to be charged the **Member entity.** MPR of Missouri does not make safety inspections nor undertake to perform the duty of any person or organization to provide for the health or safety of workers or the general public. MPR of Missouri does not warrant that any conditions:

1. are safe or healthful; or
2. comply with laws, regulations, codes or standards.

This condition applies not only to MPR of Missouri, but also to any person or organization engaged by MPR of Missouri to make inspections, surveys, reports or recommendations.

5.08 A **Member's** rights and duties under this Coverage Document may not be transferred without MPR of Missouri's written consent either before or after a loss.

5.09 This Coverage Document and the coverages provided herein are void if the **Member** at any time intentionally conceals or misrepresents any material fact or circumstance relating to this Coverage Document, or application for coverage, or any **claim** or demand made under this Coverage Document.

5.10 Any terms or conditions of this Coverage Document that are in conflict with the applicable statutes of the State of Missouri are amended to conform to such statutes.

5.11 The **Member entity** agrees to act on behalf of each covered person with respect to the giving and receiving of notice of **claim** or cancellation, the payment of contributions or other charges, the acceptance or rejection of any settlement offer and adherence to all MPR of Missouri rules. All covered persons agree that the **Member entity** is authorized to act on their behalf.

5.12 The titles of the various paragraphs of this Coverage Document and amendments, if any, attached to this Coverage Document are inserted solely for convenience or reference and are not to be deemed in any way to limit or affect the provisions to which they relate.

5.13 If MPR of Missouri adopts any changes while this Coverage Document is in force that broaden or extend this Coverage Document, the **Member** will receive such additional benefit without an additional contribution or other charges until the beginning of MPR of Missouri's next fiscal year.

5.14 The terms of this Coverage Document cannot be waived or changed except by written consent, signed and dated by an authorized representative of MPR of Missouri, showing the effective date of such waiver or change.

END OF LIABILITY, CRIME AND EMPLOYEE FIDELITY COVERAGE DOCUMENT

Midwest Public Risk of Missouri
Property – Manuscript All Risk Form 2017

The Midwest Public Risk of Missouri ("MPR of Missouri") does cover, subject to the terms, conditions, definitions, exclusions, limitations and provisions contained herein, the Member Entity, as stated in the Coverage Summary, hereinafter referred to as the Member Entity.

1. TERMS OF COVERAGE
In consideration of the contribution charged, the coverage attaches and covers losses occurring during the Period of Membership at the location of property insured, as stated in the Schedule and/or Declarations attached to and forming a part of this Coverage Form. The "Period of Membership" is as stated in the Coverage Summary under "Coverage Period" except that the Period of Membership shall end immediately upon the **Member Entity's** termination of membership if such termination is prior to the date set forth in the Coverage Summary

2. LIMITS OF LIABILITY
MPR Missouri's limit of liability shall not exceed the respective Sub-Limits of Liability shown elsewhere for the coverages involved. However, in no event will MPR Missouri's total limit of liability exceed $400,000,000 as a result of any one occurrence, regardless of the number of perils, coverages or locations involved, subject to the Statement of Values (the "Scheduled Limit") for the **Member Entity**.

3. 100% SUBLIMITS OF LIABILITY

A. $ Included Per Incident for all Real & Personal Property

B. $10,000,000 Per Incident for all Business Interruption (Power Generating Plants excluded)

C. $1,000,000 Per Incident for all Extra Expense (Power Generating Plants excluded)

D. $10,000,000 Per Incident for Demolition and Increased Cost of Construction

E. $1,000,000 Per Incident for all Valuable Papers

F. (1) $2,500,000 Per vehicle, for all Property in Transit
(2) $2,500,000 Per incident, for all Property in Transit

H. $1,000,000 Per incident, for all Electronic Data Processing Equipment and Media

I. $10,000,000 For Newly Acquired Property for a period of 120 days, if not reported to MPR of Missouri in that 120 days period, the Unnamed Location limit applies. New acquisitions in Catastrophic prone areas are not Automatic – they shall be reported to MPR Missouri who reserved the right to apply rates, terms and conditions upon review. Catastrophe prone areas include all Tier 1 Wind areas and areas of 100-year flooding as defined by the Federal Emergency Management Agency

J. $15,000,000 In the aggregate for any one period of membership for the peril of Flood. $15,000,000 per Member, $25,000,000 aggregate. All aggregate sublimits apply to the total losses for all members combined.

K. $5,000,000 Flood limit for Flood Zone A. All aggregate sublimits apply to the total losses for all members combined.

L. $10,000,000 In the aggregate for any one period of membership for the peril of Earthquake. All aggregate sublimits apply to the total losses for all members combined.

M. $5,000,000 Errors and Omissions,

N. $5,000,000 Unnamed Locations/Offsite Storage Locations,

O. $1,000,000 Personal Property of the Member Entity's officers and employees (including elected and appointed officials) while on the premises of the Member Entity.

P. Additional Sublimits:

$2,500,000	Animals – Maximum $50,000 per Animal
$100,000	Boats off premises – Maximum $25,000 per Boat
$1,000,000	Accounts Receivable
$1,000,000	Ingress/Egress
$1,000,000	Civil Authority
$10,000,000	Contingent Rental/Tax Revenue
$10,000,000	Property in the Course of Construction (Frame Builders Risks excluded)
$Excluded	Extended Period of Indemnity
$1,000,000	Leasehold Interest
$1,000,000	Off Premises Power Interruption (24 Hour Waiting Period)
$1,000,000	Professional Fees (Excluding Public Adjustors and Insured's Attorneys)
$1,000,000	Fine Arts – Maximum $50,000 any single item, but only specific amount of insurance as per schedule on file with MPR if Missouri
$ 250,000	Golf Course Outdoor Grounds
$10,000,000	Scheduled Mobile Equipment (Only specific amounts of insurance as per schedule on file with MPR of Missouri, not to exceed $10,000,000 in any one occurrence)
$1,000,000	Unscheduled Mobile Equipment
$2,000,000	Scheduled Vehicles (Only specific amounts of insurance as per schedule on file with MPR of Missouri, not to exceed $2,000,000 in any one occurrence)
$ 100,000	Fungus, Wet Rot, Dry Rot, Bacteria

As respects to Boiler and Machinery Breakdown Perils:

$10,000,000	Equipment Breakdown Limit
$10,000,000	Business Interruption
$5,000,000	Extra Expense
$Excluded	"Soft costs"
$10,000,000	Contingent Business Interruption Rental/Tax Revenue
$1,000,000	Expediting Expenses
$1,000,000	Hazardous Substances
$1,000,000	Spoilage
$250,000	Data Restoration
$1,000,000	Demolition and Increased Cost of Construction
$1,000,000	"Service Interruption"
$1,000,000	Newly Acquired Property

Coverage limits and deductibles are contingent upon **Member Entity** Statement of Values – if property is not shown on the SOV when a claim occurs, the deductible increases to $10,000 and limits are decreased to no more than $500,000, notwithstanding any other provision herein or in the Coverage Summary or the Statement of Values.

4. LOSS PAYEE

Loss, if any, shall be adjusted with and payable to the Member Entity or its order, unless endorsed otherwise hereon. Receipt of payment by the Member Entity or Loss Payee as provided under this Coverage Form shall constitute a release in full of all liability under this coverage with respect to such loss. In the event that MPR of Missouri makes a partial payment or payments of loss, release in full of all liability shall occur upon final payment with respect to such loss.

5. TERRITORY

This Coverage Form covers property located within the 50 states comprising the United States of America, the District of Columbia and Canada.

6. COVERAGE

Except as hereinafter excluded, this Coverage Form covers:

A. REAL AND/OR PERSONAL PROPERTY

(1) The interest of the Member Entity in all Real and/or Personal Property, including improvements and betterments and alterations owned or used by the Member Entity, as stated in the Schedule and/or Declarations attached to and forming a part of this Coverage Form, or hereinafter constructed, erected, installed, or acquired. For purposes of this coverage, a Golf Course shall include all landscaping, tees, sand traps, greens and athletic fields.

In the event of loss or damage, MPR of Missouri agrees to accept and consider the Member Entity as sole and unconditional owner of improvements and betterments, unless otherwise stated by contract or lease agreement.

(2) The interest of the Member Entity in Real and Personal Property of others in the Member Entity's care, custody, or control.

(3) Personal Property of the Member Entity's officers and employees (including elected and appointed officials) while on premises of the Member Entity, for which values have been declared and for which a sublimit is indicated in Section 3. Sublimits of Liability, Paragraph N.

(4) Contractors' interest in property covered to the extent of the Member Entity's liability imposed by law or assumed by contract.

B. BUSINESS INTERRUPTION

Business Interruption means loss resulting from necessary interruption of business conducted by the Member Entity and caused by direct physical loss or damage by any of the perils covered herein during the term of this policy to Real and/or Personal Property as covered herein.

If such loss occurs during the Period of Membership, it shall be adjusted on the basis of the actual loss sustained by the Member Entity, during the period of restoration, consisting of the net profit (or loss) which is thereby prevented from being earned and of all charges and expenses, but only to the extent that they must necessarily continue during the interruption of business, and only to the extent to which they would have been incurred had no loss occurred.

Ordinary payroll is defined to be the entire payroll expenses for all employees of the Member Entity except elected or appointed officials, officers, Executives and department managers.

MPR of Missouri shall not be liable for any loss resulting from the time required to reproduce finished stock. Finished stock shall mean stock manufactured by the Member Entity which in the ordinary course of the Member Entity's business is ready for packing, shipment, or sale.

(1) RESUMPTION OF OPERATIONS: It is a condition of this coverage that if the Member Entity could reduce the loss resulting from the interruption of business,

(a) By a complete or partial resumption of operations, or

(b) By making use of other available stock, merchandise or location such reduction will be taken into account in arriving at the amount of loss hereunder, but only to the extent that the Business Interruption loss covered under this coverage form is thereby reduced.

(2) EXPENSE TO REDUCE LOSS: This Coverage also covers such expenses as are necessarily incurred for the purpose of reducing any Business Interruption loss under this Coverage Form, provided such coverage shall not exceed the

amount by which the Business Interruption loss covered under this Coverage Form is thereby reduced.

(3) EXPERIENCE OF BUSINESS: In determining the amount of net profit (or loss), charges and expenses covered hereunder for the purpose of ascertaining the amount of loss sustained, due consideration shall be given to the experience of the Member Entity's business before the date of damage or destruction and to the probable experience thereafter had no loss occurred.

C. EXTRA EXPENSE

Extra Expense meaning the excess cost necessarily incurred to continue the operation of the Member Entity's business or facility that would not have been incurred had there been no loss or damage by any of the perils covered herein during the term of this policy to Real and/or Personal Property as covered herein.

D. RENTAL VALUE

Rental Value meaning loss sustained by the Member Entity resulting directly from the necessary untenantability, during the period of restoration, caused by loss, damage or destruction by any of the perils covered herein during the Period of Membership to Real and/or Personal Property as described in the previous paragraphs, but not exceeding the reduction in rental value less charges and expenses which do not necessarily continue during the period of untenantability.

For the purpose of this Coverage "Rental Value" is defined as the sum of:

(a) the total anticipated gross rental income from tenant occupancy of the described property as furnished and equipped by the Member Entity, and
(b) the amount of all continuing charges which are the legal obligation of the tenant(s) and which, because of the loss, become obligations of the Member Entity, and
(c) the fair rental value of any portion of said property which is occupied by the Member Entity.

(1) EXPENSE TO REDUCE LOSS: This Coverage also covers such expenses as are necessarily incurred for the purpose of reducing any Rental Value loss covered under this coverage form. Such coverage, however, shall not exceed the amount by which the loss under this coverage form is thereby reduced.

(2) EXPERIENCE OF THE BUSINESS: In determining the amount of Rental Value covered hereunder for the purpose of ascertaining the amount of loss sustained, due consideration shall be given to the rental experience before the date of damage or destruction and to the probable experience thereafter had no loss occurred.

E. ADDITIONAL PROVISIONS APPLICABLE TO BUSINESS INTERRUPTION, EXTRA EXPENSE AND RENTAL VALUE COVERAGE

(1) PERIOD OF RESTORATION:
Period of restoration means the period of time that:

(a) Begins with the date of direct physical loss or damage by any of the perils covered herein, at the described premises; and
(b) Ends on the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality.

Period of restoration does not include any increased period required due to the enforcement of any ordinance or law that:

(a) Regulates the construction, use or repair, or requires the tearing down, of any property; or
(b) Requires the Insured or others to test for, monitor, clean up, remove, contain, treat detoxify, or neutralize, or in any way respond to, or assess the effects of "contaminants" or "pollutants" as defined in Section 10. Perils Excluded, Paragraph Q.

The expiration date of this Period of Membership will not cut short the period of restoration.

(2) SPECIAL EXCLUSIONS: This Coverage does not cover any increase of loss which may be occasioned by the suspension, lapse, or cancellation of any lease, license, contract, or order, nor for any increase of loss due to delays in rebuilding, repairing, or replacing the property damaged or destroyed or with the resumption or continuation of business, or with the reoccupancy of the premises caused by interference at the Member Entity's premises by strikes or other persons nor for any increase of loss which may be occasioned by loss or damage to property in transit away from the Member Entity's premises.

(3) EXTENSION OF COVERAGE: This coverage form, subject to all of its provisions and without increasing the Limit of Liability as stated in the Coverage Summary also provides coverage for interruption of business conducted by the Member Entity resulting from loss or damage, by the perils covered against, during the Coverage Period, to:

(a) Public utility plants, transformers or switching stations, substations furnishing heat, light, power, water, telephone or gas to the Member Entity's premises, but within one statute mile of the premises;
(b) Any property thereby preventing ingress to or egress from the Member Entity's premises, for a period not exceeding two (2) weeks.
(c) Any property when access to the premises is prohibited by order of civil or military authority, for a period not exceeding two (2) weeks.

F. VALUABLE PAPERS AND RECORDS

Valuable papers and records, shall mean written printed or otherwise inscribed documents and records, including but not limited to books, maps, films, drawings, abstracts, deeds, mortgages, micro inscribed documents, manuscripts and media, but not including Electronic Data Processing Data or Electronic Data Processing Programs, or money and/or securities.

The term securities shall mean all negotiable and non-negotiable instruments or contracts representing either money or other property and includes revenue and other stamps in current use, tokens and tickets, but does not include money.

G. ELECTRONIC DATA PROCESSING EQUIPMENT, MEDIA, DATA AND PROGRAMS

(1) Electronic Data Processing Equipment shall mean electronic data processing systems including keyboards, display screens, terminals, printers and related peripheral equipment;

(2) Electronic Data Processing Media shall mean flash drives, magnetic tapes, compact discs, diskettes, disk packs, cards or other standardized data recording materials which can be read by electronic data processing equipment;

(3) Electronic Data Processing Data shall mean information, instructions or programs that are recorded on your media, including original source material used to enter data;

(4) Electronic Data Processing Programs shall mean software that are purchased or written specifically to be used with electronic data processing equipment.

H. PROPERTY IN TRANSIT

Property in transit shall mean shipments within and between the territorial limits of this coverage including the coastal waters thereof, by any means of conveyance, from the time the property is moved for purpose of loading and continuously thereafter, while awaiting and during loading and unloading and in temporary storage, including temporary storage on any conveyance intended for use for any outbound or inbound shipment; including during unavoidable deviation and delay; until safely delivered into the place of final destination.

This coverage is extended to cover loss or damage to property;

(1) sold and shipped by the Member Entity under terms of F.O.B. point of origin or other terms usually regarded as terminating the shipper's responsibility short of points of delivery;

(2) occasioned by the acceptance by the Member Entity, by its agents, or by its customers of fraudulent bills of lading, shipping and delivery orders, or similar documents;

The Member Entity may waive right(s) of recovery against private and contract carriers and accept bills of lading or receipts from carriers, bailees, warehousemen, or processors limiting their liability, but this Transit coverage shall not inure to the benefit of any carrier, bailee, warehousemen, or processor;

With respect to shipments made under F.O.B. point of origin or similar terms, MPR of Missouri agrees to waive its rights of subrogation against consignees at the option of the Member Entity.

The coverage is not to be prejudiced by any agreements exempting lightermen from liability.

Seaworthiness of any vessel or craft is admitted between MPR of Missouri and the Member Entity.

I. DEMOLITION AND INCREASED COST OF CONSTRUCTION

In the event of loss or damage under this Coverage, by any of the perils covered herein, during the Period of Membership, to Real Property covered herein, that causes the enforcement of any law or ordinance regulating the construction or repair of the damaged facilities, subject to the sublimit specified in Section 3. Sublimits of Liability, Paragraph E., this coverage form provides coverage for:

A. the cost of demolishing the undamaged facility including the cost of clearing the site;

B. the value of such undamaged part of the facility which must be demolished;

C. the increased cost of repair or reconstruction of the damaged facility on same or another site limited to the minimum requirements of such law or ordinance regulating the repair or reconstruction of the damaged property and the cost thereof on the same site. However, MPR of Missouri shall not be liable for any increased cost of construction loss unless the damaged facility is actually rebuilt or replaced within two years;

D. any increase in the business interruption, extra expense or rental value loss arising out of the additional time required to comply with such law or ordinance. This increase will be based upon the difference between the additional time required to comply with the law or ordinance and the time it would have taken to replace the property with materials of like kind and quality, absent such law or ordinance.

J. DEBRIS REMOVAL

This coverage shall cover the necessary and reasonable expenses actually incurred by the Member Entity for removal of debris of property covered hereunder resulting from damage to covered property by a peril covered against.

This coverage does not apply to costs to:

(1) Extract "contaminants" or "pollutants" from the debris; or

(2) Extract "contaminants" or "pollutants" from land or water; or

(3) Remove, restore or replace contaminated or polluted land or water; or

(4) Remove or transport any property or debris to a site for storage or decontamination required because the property or debris is affected by pollutants or contaminants, whether or not such removal, transport, or decontamination is required by law or regulation.

It is a condition precedent to recovery under this extension that MPR of Missouri or its agent shall have paid or agreed to pay for direct physical loss or damage to the property covered hereunder and that the Member Entity shall give written notice to MPR of Missouri of intent to claim for cost of removal of debris or cost to clean up not later than 180 days after the date of such physical loss or damage;

This coverage does not increase the Limit of Liability as specified in Section 2, Limits of Liability or Section 3, Sublimits of Liability.

K. NEWLY ACQUIRED PROPERTY

This coverage is automatically extended to cover additional property as described in this coverage which may be purchased, leased or acquired during the Period of Membership, subject to the sublimit shown in the Section 3. Sublimits of Liability, Paragraph I.

The value of such additional property or properties upon which liability is hereby assumed by this MPR of Missouri shall be reported to MPR of Missouri within one-hundred (120) days from the date on which the **Member Entity** acquires an insurable interest in such property or properties failing which, MPR of Missouri shall be relieved of all liability as assumed hereunder on such property or properties, from date of acquisition until such time as values are reported to, and received by, MPR of Missouri.

The contribution, if any, for any newly acquired property declared under this Coverage shall be due and payable at the time reported and shall be calculated pro rata of the rate applying at such property or properties, from the date on which the Member Entity acquires an insurable interest in such property or properties to the expiration of the Period of Membership.

L. FIRE BRIGADE CHARGES AND EXTINGUISHING EXPENSES

In the event of loss or damage to covered property by a covered peril, this Coverage shall cover:

A. fire brigade and other extinguishing expenses for which the **Member Entity** may be assessed;

B. the cost of fire extinguishing materials expended.

7. PROPERTY EXCLUDED

This Coverage does not cover the following:

A. Money; coins, currency, bullion, notes, securities, stamps, food stamps, letters of credit, telephone cards, tickets, accounts, bills, deeds, evidence of debt.

B. Land; land values; soil; water, including ground water, surface water, process water and drinking water; growing crops; drying drops; standing timber; lawns; trees; plants; shrubs and animals except animals either (1) held for research, or (2) dogs or horses trained and kept for use by law-enforcement employees, and in all cases only for the perils of fire, wind, hail, aircraft, riot or civil commotion, vehicle, explosion and smoke;

C. Cost of excavations, filling, back filling and grading;

D. Underground pipes, flues and drains;

E. Wells; brick, stone or concrete foundations or footings of any kind; pilings below the surface of the ground; piers or wharves; pavements, sidewalks or roadways; retaining walls that are not part of a covered building;

F. Watercraft; aircraft; any type of motor vehicles licensed for highway use, when not on the **Member Entity's** premises; railroad rolling stock;

G. Waterborne shipments to and from Hawaii or Alaska;

H. Export shipments after loading on board an overseas vessel or after ocean marine insurance or coverage attaches, whichever occurs first; and import shipments until they have been discharged from the overseas vessel or until the ocean marine insurance/coverage terminates, whichever occurs last;

I. Furs, fur garments and garment containing fur, jewels, jewelry, watches, pearls, precious and semi-precious stones, bullion, gold, silver, platinum, other precious metals and alloys;

J. Property sold on installment, conditional sale, trust agreement or other deferred payment plan, after delivery to customers, whether or not the insured retains title to such property;

K. Shipments by mail and/or parcel post;

L. Power transmission and feeder lines not on the Member Entity's premises;

M. Contraband or property in the course of illegal transportation or trade.

8. PERILS COVERED

This Coverage Form covers all risks of direct physical loss of or damage to property described herein including general average, salvage and all other similar changes on shipments covered hereunder, if any, except as excluded in this Coverage Form or the applicable Coverage Summary.

9. PERILS EXCLUDED

This Coverage Form does not cover loss or damage caused *directly or indirectly* by any of the following excluded perils. *Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss*:

A. any loss or damage resulting from, or arising out of, fraudulent or dishonest or criminal act or acts committed by the Member Entity or others to whom the property may be delivered or entrusted;

B. inventory shortage or unexplained disappearance;

C. the cost of making good defective design or specifications, faulty materials or faulty workmanship. But, if loss or damage from a covered peril herein results, to covered property, from such defective design or specifications, faulty material or faulty workmanship, then this coverage form will cover such ensuing loss or damage not otherwise excepted or excluded from coverage;

D. electrical injury or disturbance to electrical appliances, devices, or wiring caused by electrical currents artificially generated. But if loss or damage from a covered peril results, to covered property, from such electrical injury or disturbance, then this Coverage Form shall cover such ensuing loss or damage not otherwise excepted or excluded from coverage; This exclusion shall not apply to Electronic Data Processing Systems and Valuable Papers.

E. loss or damage caused by, arising out of, contributed to, or resulting from:

(1) moth, vermin, termites or other insects;

(2) inherent vice, latent defect, or rust;

(3) dampness of atmosphere, smog or extremes in temperature (except that this exclusion will not apply to a claim for loss or damage arising out of frozen pipes up to the sum of Twenty-Five Thousand Dollars ($25,000.00) for that claim; this exclusion shall apply to all such claims for loss or damage in excess of this amount), marring, scratching, change in color or finish, contamination by pollutants or any other foreign matter;

F. errors in processing or manufacturing of the **Member Entity's** products. But if loss or damage from a covered peril results, to covered property, from such errors in processing or manufacturing then this Coverage Form shall cover such ensuing loss or damage not otherwise excepted or excluded from coverage;

G. ordinary wear, tear, or gradual deterioration. But if loss or damage from a covered peril results, to covered property, from such wear, tear and gradual deterioration then this Coverage Form shall cover such ensuing loss or damage not otherwise excepted or excluded from coverage;

H. normal settling, shrinkage or expansion of buildings, foundations or walls, floors, or ceilings. But if loss or damage from a covered peril results, to covered property, from such settling, shrinkage or expansion then this Coverage Form shall cover such ensuing loss or damage not otherwise excepted or excluded from coverage;

I. loss of market;

J. delay with respects to property in transit;

K. against nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, and whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by the peril(s) covered in this Coverage Form; except

(1) if fires ensues, liability is specifically assumed for direct loss by such ensuring fire but not including any loss due to nuclear reaction, nuclear radiation or radioactive contamination;

(2) MPR of Missouri shall be liable for loss or damage caused by sudden and accidental radioactive contamination including resultant radiation damage from material used or stored or from processes conducted on a scheduled premises provided at the time of loss there is neither a nuclear reactor capable of sustaining nuclear fission in a self-supporting chain reaction nor any new or used nuclear fuel on the scheduled premises.

L.

(1) war, hostile or warlike action in time of peace or war, whether or not declared, including action in hindering, combating, or defending against an actual, impending, or expected attack

(a) by any government or sovereign power (de jure or de facto) or by any authority maintaining or using military, naval, or air forces; or

(b) by military, naval, or air forces; or

(c) by any agent of any such government, power, authority, or force;

(d) any weapon of war employing atomic fission or radioactive force, whether in time of peace or war, whether or not its discharge was accidental;

(2) insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering combating, or defending against such occurrence, seizure or destruction;

(3) any consequence of any of the foregoing.

M. Loss or damage to any aircraft, watercraft or motor vehicles licensed for highway use when not on the **Member Entity's** premises;

N. Loss or damage caused by or resulting from:

(1) Earthquake and/or Volcanic Eruption, unless specified in Section 3. Sublimits of Liability, Paragraph L., and then only for such specified amount;

(2) Flood, unless specified in Section 3. Sublimits of Liability, Paragraph K., and then only for such specified amount;

(3) Any and all loss from any other cause when occurring concurrently or sequentially with Earthquake, Volcanic Eruption or Flood except Fire; and the limit of coverage hereunder for such Fire shall be the amount of coverage covering the property or the residual value of the property if the Fire is preceded by Earthquake or Volcanic Eruption damage or Flood, whichever is the lesser amount.

O. any loss or damage caused by, resulting from, contributed to or made worse by actual alleged or threatened release, discharge escape or dispersal of "CONTAMINANTS" or "POLLUTANTS", all whether direct, indirect, proximate or remote or in whole or in part caused by contributed to or aggravated by any physical damage insured by this Coverage Form.

Nevertheless, if fire, not otherwise excepted or excluded from coverage, arises directly or indirectly from seepage or contamination or pollution, any loss or damage covered under this Coverage Form arising directly from that fire is covered, subject to the provisions of this Coverage Form.

"CONTAMINANTS" and "POLLUTANTS" means any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste which after its release can cause or threaten damage to human health or human welfare or causes or threatens damage, deterioration, loss of value, marketability or loss of use to property insured hereunder, including, but not limited to, bacteria, fungi, virus, or hazardous substances as listed in the Federal Water, Pollution control Act, Clean Air Act, Resource Conservation and Recovery Act of 1976, and Toxic Substances Control Act or as designated by the U.S. Environmental Protection Agency. Waste includes materials to be recycled, reconditioned or reclaimed. The fact that a contaminant is a product purchased, produced, stored, used or sold by the **Member Entity** will not remove that contaminant from this definition.

This exclusion shall not apply when loss or damage is directly caused by fire, lightning, aircraft impact, explosion, riot, civil commotion, smoke, vehicle impact, windstorm, hail, vandalism, malicious mischief.

This exclusion shall also not apply when loss or damage is directly caused by leakage or accidental discharge from automatic fire protection systems.

P. This Coverage Form does not cover:

(1) The removal of asbestos, dioxin or polychlorinated biphenols (hereinafter

all referred to as "Materials") from any good, product or structure. However, if asbestos is damaged by fire, lightning, aircraft impact, explosion, riot, civil commotion, smoke, vehicle impact, windstorm or hail, vandalism, malicious mischief, or leakage or accidental discharge from an automatic fire protection system, the cost of removal shall be covered herein. The coverage afforded by this extension does not apply to the costs of investigation or defense of any loss or damage, or any costs for loss of use expense, fine or penalty or for any expense or claim or suit related to any of the above.

(2) Demolition or increased cost of reconstruction, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating such Materials.

(3) Any governmental direction or request declaring that such Materials present in, or part of, or utilized on any undamaged portion of the Insured's property can no longer be used for the purpose for which it was intended or installed and must be removed or modified.

Q. Notwithstanding any of the provisions of this Coverage Form, MPR of Missouri shall not be liable for loss, damage, costs, expenses, fines or penalties incurred or sustained by or imposed on the **Member Entity** at the order of any Government Agency, Court or other Authority arising from any cause whatsoever.

R. electrical injury or disturbance to electrical appliances, devices, or wiring caused or contributed to by any intrusion, damage or invasion by any vermin. For purposes of this exclusion, the term "vermin" shall include, but not be limited to, any insects, arachnids, or other invertebrate animals.

10. VALUATION

At the time of loss, the value of covered property, unless otherwise endorsed herein, shall be as follows:

A. Real and/or Personal Property at replacement cost without deduction for depreciation except as provided below or by endorsement.

(1) The MPR of Missouri's liability for loss on a replacement cost basis shall not exceed the smallest of the following amounts:

(a) The limit of this Coverage Form applicable to the damaged or destroyed property;

(b) The replacement cost of the property or any part thereof identical with such property on the same premises and intended for the same occupancy and use: or

(c) The amount actually and necessarily expended in repairing or replacing said property or any part thereof.

(2) MPR of Missouri shall not be liable under this clause for any loss, occasioned directly or indirectly by the enforcement of any ordinance or law regulating the use, construction, repair or demolition of property unless such liability has been specifically assumed under this Coverage Form;

(3) If the property is not repaired or replaced within a reasonable period from the date of loss, the valuation is to be on an Actual Cash Value basis measured at the time of loss. Actual Cash Value shall mean the lesser of (i) replacement cost less depreciation or (ii) market value. In no instance shall a reasonable amount of time extend longer than one (1) calendar year. No payment beyond Actual Cash Value shall be made until after completion of the repair or replacement.

B. Property of others at the amount for which the Member Entity is liable but in no event to exceed replacement cost plus the cost of labor performed and materials expended thereon at the time of loss.

C. Tenant's Improvement and Betterments:

(1) If repaired or replaced at the expense of the **Member Entity** within a reasonable period from the time of loss, the replacement cost of the damaged or destroyed improvements and betterments. In no instance shall a reasonable amount of time extend longer than one (1) calendar year.

(2) If not repaired or replaced within a reasonable period from the time of loss, the proportion of the original cost at the time of installation of the damaged or destroyed property which the unexpired term of the lease or rental agreement, whether written or oral, in effect at time of loss bears to the period from the date such improvements or betterments were made to the expiration date of the lease. In no instance shall a reasonable amount of time extend longer than one (1) calendar year.

(3) If repaired or replaced at the expense of others, there shall be no liability hereunder.

D. Valuable papers and records and media: The cost to repair or replace the property with other property of like kind and quality including the cost of gathering and/or assembling information, but only if such property is actually repaired or replaced.

E. Patterns and dies: Replacement cost if actually replaced within twelve months following the date of loss otherwise at scrap value.

F. Electronic Data Processing Equipment: The actual cost to repair or replace the lost or damaged property with new property of the same kind, quality and capability, on the same site and used for the same purpose.

G. Electronic Data Processing Media: The actual cost to repair or replace the property with other property of like kind and quality.

H. Electronic Data Processing Data and Programs: The actual cost to reproduce the data and programs, up to the limit of coverage, if you actually reproduce the data and programs. Such costs shall include any additional reasonable expense incurred in reproducing the data and programs, to continue normal computer operations.

There shall be no liability hereunder for data and programs that cannot be reproduced due to lack of backup, support documentation or records unless such articles are described and specific limits shown in this Coverage Form.

I. Fine Arts: The appraised value; or, if there is no appraisal at the greater of:

(1) the original acquisition cost, or
(2) the market value at the time of loss.

J. All property not otherwise described: The Actual Cash Value of the property at the time the loss or damage occurs being replacement cost less depreciation.

11. FLOOD

With respect to the peril Flood, any and all losses from this cause within a 72 –hour period shall be deemed to be one loss insofar as the Limit of Liability and Deductible provisions of this coverage are concerned. Flood is added as a Covered Cause of Loss applicable to the Covered Causes of Loss and the Specified Causes of Loss.

Flood means:

(1) Surface water, waves, tidal water, tidal waves, tsunamis, or overflow of any natural or man-made body of water from its boundaries, all whether driven by wind or not.

(2)Mudslide or mudflow, directly or indirectly caused by flooding or the accumulation of water under the ground.

(3) Water or other material that backs up of overflows from any sewer, septic tank, sump or drain.

(4) Release of water held by a dam, levee or dike, or by a water or flood control device.

(5) Water under the ground surface pressing on, or flowing or seeping through:

a. Foundations, walls, floors or paved surfaces:
b. Basements, whether paved or not; or
c. Doors, windows or other openings.

MPR of Missouri shall not be liable for any loss caused by any Flood which commences before the effective date of the Period of Membership, however, MPR of Missouri will be liable for any loss occurring for a period of up to seventy-two (72) hours after the expiration of the Period of Membership provided that the first flood damage occurs prior to the date and time of the expiration of this Period of Membership.

The term "flood", as used herein, shall mean surface water, waves, tide, or tidal water and the rising (including overflowing or breaking of boundaries) of lakes, ponds, reservoirs, rivers, streams, harbors and similar bodies of water. The term "surface water", as covered hereunder, shall mean seepage, leakage or influx of water (immediately derived from natural sources) through sidewalks, driveways, foundations, walls, basements or other floors, or through windows or any other openings in such sidewalks, foundations, walls or floors; and shall also include all water which backs up through sewers and drains.

12. EARTHQUAKE

Each loss by Earthquake shall constitute a single claim hereunder; provided, if more than one earthquake shock shall occur within any period of seventy-two (72) hours during the Period of Membership, such Earthquake shall be deemed to be a single Earthquake within the meaning hereof. MPR of Missouri shall not be liable for any loss caused by any Earthquake occurring before the effective date of the Period of Membership, however, MPR of Missouri will be liable for any losses occurring for a period of up to seventy-two (72) hours after the expiration of the Period of Membership provided that the first earthquake shock or damage occurs prior to the date and time of the expiration of the Period of Membership.

The following is added as a Covered Cause of Loss to this Certificate. Earthquake, meaning a shaking or trembling of the earth's crust, caused by underground tectonic forces resulting in breaking, shifting, rising, settling, sinking or lateral movement or other movement, including any related earth sinking, rising or shifting.

All Earthquake shock that occurs within any 168-hour period will constitute a single Earthquake. The expiration of this Certificate shall not reduce the 168-hour period.

13. CONTRIBUTING INSURANCE OR COVERAGE

Contributing insurance is insurance, or other coverage, covering in the same manner and layer as this Coverage Form which is not designated as and notified to MPR of Missouri as primary or excess with respect to the coverage provided in this Coverage Form. This coverage shall contribute in accordance with the conditions of this Coverage Form, only to the extent of proportion that the applicable limit under this coverage bears to the total limits of all contributing insurance covering in the same manner and layer as this Coverage Form.

14. EXCESS INSURANCE

Excess insurance is insurance, or other coverage, over the limit of liability set forth in this Coverage Form. The existence of such excess insurance shall not prejudice the coverage provided under this Coverage Form, nor will it reduce any liability hereunder.

15. OTHER INSURANCE

Except for contributing or excess insurance described in the Contributing Insurance Clause or the Excess Insurance Clause, this Coverage Form shall not cover to the extent of any other insurance or other coverage, whether prior or subsequent hereto in date, and whether directly or indirectly covering the same property against the same perils and whether collectible or not. MPR of Missouri shall be liable for loss or damage only to the extent of that amount excess of such other insurance or coverage.

16. SUBROGATION

A. In the event of any payment under this Coverage Form, MPR of Missouri shall be subrogated to the extent of such payment to all the **Member Entity's** rights of recovery therefor. The **Member Entity** shall execute all papers required and shall do anything that may be necessary at the expense of MPR of Missouri to secure such right. MPR of Missouri will act in concert with all other interests concerned, i.e., the **Member Entity** and other company(ies) or entitites participating in the payment of any loss as primary or excess insurers or coverage providers, in the exercise of such rights of recovery. If any amount is recovered as a result of such proceedings, the costs of recovery shall be divided between the interests concerned in the proportion of their respective interests. Priority of recovery shall be, up to the amount(s) of their loss payment(s):

(i) excess insurer(s) or coverage providers;
(ii) primary insurer(s) or coverage providers;
(iii)the **Member Entity**;

until the amount of recovery, less expenses, is exhausted. If there should be no recovery, the expenses of proceedings shall be borne proportionately by the interests instituting the proceedings.

B. The **Member Entity** shall not do anything after a loss to jeopardize MPR of Missouri's rights of subrogation. Any release from liability entered into by the **Member Entity** in writing prior to loss hereunder shall not affect this Coverage Form for the right of the **Member Entity** to recover hereunder. The right of subrogation against the **Member Entity** or subsidiary or affiliated companies or any other companies associated with the **Member Entity** through ownership or management is waived.

17. SALVAGE AND RECOVERIES

All salvages, recoveries and payments excluding proceeds from subrogation recovered or received subsequent to a loss settlement under this Coverage Form shall be applied as if recovered or received prior to the said settlement and shall accrue entirely to MPR of Missouri until the sum paid by MPR of Missouri has been recovered.

18. BRANDS OR TRADEMARKS

In case of damage by a peril covered to property bearing a brand or trademark or which in any way carries or implies the guarantee or the responsibility of the manufacturer or **Member Entity**, the salvage value of such damaged property shall be determined after removal in the customary manner, at the expense of MPR of Missouri, of all such brands or trademarks or other identifying characteristics.

19. CONTROL OF SALVAGE

The **Member Entity** shall have full right to the possession of all goods involved in any loss under this Coverage Form and shall retain control of all damaged goods. The **Member Entity**, exercising a reasonable discretion, shall be the sole judge as to whether the goods involved in any loss under this Coverage Form are fit for consumption, and no goods so deemed by the **Member Entity** to be unfit for consumption shall be sold or otherwise disposed of except by the **Member Entity** or with the **Member Entity's** consent, but the **Member Entity** shall allow

MPR of Missouri any salvage obtained by the **Member Entity** on any sale or other disposition of such goods.

20. MACHINERY

In case of loss or damage by a peril covered to any part of a machine or unit held either for sale or use consisting of two or more parts when complete, the liability of MPR of Missouri shall be limited to the value of the part or parts lost or damaged or, at the **Member Entity's** option, to the cost and expense of replacing or duplicating the lost or damaged part or parts or of repairing the machine or unit provided that such option shall not exceed the lowest of the above.

21. PAIR AND SET

Except as provided under the Machinery clause, in the event of loss or damage by a peril covered to any article or articles which are a part of a pair or set, the measure of loss or damage to such article or articles shall be a reasonable and fair proportion of the total value of the pair or set, giving consideration to the importance of said article or articles, but in no event shall such loss or damage be construed to mean total loss of the pair or set.

22. NOTICE OF LOSS

The **Member Entity** shall, as soon as practicable, report to MPR of Missouri or its agent every loss, damage or occurrence that may give rise to a claim under this Coverage Form.

23. PROOF OF LOSS

In the event of loss or damage hereunder it is a condition precedent to the **Member Entity's** right of recovery that the **Member Entity**, within 90 days following demand therefor by MPR of Missouri, render a signed and sworn proof of loss to MPR of Missouri or its appointed representative stating: the place, time, and cause of the loss, damage, or expense; the interest of the **Member Entity** and all others in the damaged or destroyed property; the value of the property involved in the loss; and the amount of loss, damage, or expense.

24. PAYMENT OF LOSS

All adjusted claims shall be due and payable thirty (30) days after presentation and acceptance of satisfactory proof(s) of loss by MPR of Missouri or its appointed representative.

25. PARTIAL PAYMENT OF LOSS

It is understood that MPR of Missouri may make partial payments of claims subject to the terms of this Coverage Form, and the normal adjustment provisions. The **Member Entity** shall submit a partial Proof of Loss with all supporting documentation, at the request of MPR of Missouri, to obtain such partial payment of claim.

26. AUTOMATIC REINSTATEMENT OF LIMITS

With the exception of loss caused by perils which are subject to annual aggregate limits as noted in the Limits of Liability clause, any loss hereunder shall not reduce the amount of the sublimits derived from the **Member Entity's** Statement of Values.

27. SUIT AGAINST MPR OF MISSOURI

No suit or action on this Coverage Form for the recovery of any claim shall be sustainable in any court of law or equity unless all the requirements of this Coverage Form, the applicable Coverage Summary, and the articles and by-laws of MPR of Missouri shall have been complied with.

28. ASSISTANCE AND COOPERATION OF THE **MEMBER ENTITY**

The **Member Entity** shall cooperate with MPR of Missouri, and, upon the MPR of Missouri's request and expense, shall attend hearings and trials and shall assist in effecting settlements, in securing and giving evidence, in obtaining the attendance of witnesses, and in conducting suits.

29. SUE AND LABOR

In case of actual (or imminent, with prior notice to and approval from MPR of Missouri) loss or damage by a peril covered, it shall, without prejudice to the coverage, be lawful and necessary for the **Member Entity**, their factors, servants, or assigns to sue, labor, and travel for, in, and about the defense, the safeguard, and the recovery of the property, or any part of the property, covered hereunder without prejudice to this coverage; nor, in the event of loss or damage, shall the acts of the **Member Entity** or of MPR of Missouri in recovery, saving, and preserving the covered property be considered a waiver or an acceptance of abandonment. The expenses so incurred shall be borne by the **Member Entity** and MPR of Missouri in accordance with the Coverage Form's conditions in regard to losses, including deductible application.

30. CANCELLATION

A. This Coverage Form may be cancelled at any time at the request of the **Member Entity** or it may be cancelled by MPR of Missouri by mailing to the **Member Entity** at the address shown in the Coverage Summary written notice stating not less than thirty (30) days thereafter such cancellation shall be effective; ten (10) days if for nonpayment of contribution.

B. The mailing of such notice by regular, certified or other form of mail through the US Postal service shall be sufficient proof of notice and the effective date and hour of cancellation stated in the notice shall become the end of the Coverage Period. Delivery of such written notice either by the **Member Entity** or by MPR of Missouri shall be equivalent to mailing.

C. Cancellation shall not affect coverage on any shipment in transit, if any, on the date of cancellation. Coverage will continue in force until such property is delivered and accepted.

31. PROTECTION MAINTENANCE

It is agreed that any protection provided for the safety of the covered property shall be maintained in good order throughout this Coverage Period and shall be in use at all times out of business hours or when the **Member Entity's** premises are left unattended, and that such protection shall not be withdrawn or varied to the detriment of the interests of MPR of Missouri without its prior written consent.

32. INSPECTION AND AUDIT

MPR of Missouri shall be permitted but not obligated to inspect the **Member Entity's** property at any time. Neither MPR of Missouri's right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the **Member Entity** or others, to determine or warrant that such property is safe.

MPR of Missouri may examine and audit the **Member Entity's** books and records at any time during the period of membership and extensions thereof and within three years after the final termination of this coverage, as far as they relate to the subject matter of this coverage.

33. ABANDONMENT

There shall be no abandonment to MPR of Missouri of any property.

34. VACANCY AND/OR UNOCCUPANCY

Unless scheduled as vacant property, MPR of Missouri shall not be liable for loss or damage to any property that has remained vacant or unoccupied for a period of one-hundred-twenty (120) days.

35. FALSE OR FRAUDULENT CLAIMS

If the **Member Entity** shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Coverage Form shall become void, and all claims hereunder shall be forfeited.

36. ASSIGNMENT

Assignment or transfer of this Coverage Form shall not be valid except with the prior written consent of MPR of Missouri, which MPR of Missouri shall grant in its sole discretion.

37. MORTGAGE CLAUSE

Loss or damage, if any, under this Coverage Form shall be payable to the mortgagee(s), as scheduled on the Coverage Summary, as their interest(s) may appear, and this coverage, as to the interest(s) of mortgagee(s) only therein, shall not be invalidated by any act or neglect of the mortgagor or owner of the described property, nor by any foreclosure or other proceedings or notice of sale relating to the described property, nor by any change in title or ownership of the property, nor by occupation of the premises for purposes more hazardous than are permitted by this coverage provided that in case the mortgagor or owner shall neglect to pay any premium due under this coverage, the mortgagee shall, on demand, pay the same. Provided also, that the mortgagee shall notify MPR of Missouri of any change of ownership or occupancy or increase of hazard which shall come to the knowledge of said mortgagee and, unless permitted by this Coverage Form, it shall be noted thereon and the mortgagee shall, on demand, pay the premium for such increased hazard for the term of use thereof; otherwise this Coverage Form shall be null and void. Provided also, that in case the mortgagor shall neglect to provide Proof of Loss under the conditions of this Coverage Form, the mortgagor within 90 days of notice by MPR of Missouri shall submit such Proof of Loss.

MPR of Missouri reserves the right to cancel this Coverage Form at any time as provided by its terms, but in such case this Coverage Form shall continue in force for the benefit only of the mortgagee for ten (10) days after notice to the mortgagee of such cancellation and shall then cease and MPR of Missouri shall have the right, on like notice, to cancel this agreement.

Whenever MPR of Missouri shall pay the mortgagee any sum for loss or damage under this Coverage Form and shall claim that, as to the mortgagor or owner, no liability therefore existed, MPR of Missouri shall, to the extent of such payment, be thereupon legally subrogated to all the rights of the party to whom such payment shall be made.

38. ERRORS & OMISSIONS

Any unintentional error or omission made by the **Member Entity** in reporting locations or values shall not void or impair the coverage hereunder provided the **Member Entity** reports such error or omission as soon as reasonably possible after discovery and pays appropriate contribution thereon.

39. CONFORMITY TO STATUTE

Terms of this Coverage Form in conflict with the written laws of Missouri, which are applicable to this Coverage Form, specifically Mo.Rev.Stat. ¶¶ 537.600 – 537.650, are changed to conform to such laws.

40. TITLES OF PARAGRAPHS

The titles of paragraphs of this form and of endorsements and supplemental contracts if any, nor or hereafter attached hereto are inserted solely for convenience of reference and shall not be deemed in any way to limit or affect the provisions to which they relate.

41. BOILER AND MACHINERY BREAKDOWN

1. <u>Perils Member</u>

In consideration of the premium paid and subject to the terms, conditions and Exclusions of the policy in which this Extension is included, and to the following terms and conditions, this coverage is extended to cover direct damage to "Covered Property" caused by a "Covered Cause of Loss."

2. <u>Additional Coverage</u>

(a) Hazardous Substance

The additional expense incurred for cleanup, repair or replacement or disposal of damaged, contaminated or polluted property as a result of an "Accident", which causes property to become damaged, contaminated or polluted by a substance declared hazardous to health by an authorized governmental agency. The coverage provided by this clause is sublimited as set forth in Section 3. For the purpose of this coverage "Additional expense" means any expense that would not have incurred, if no substance hazardous to health had been involved in the "Accident"

(b) Ammonia Contamination

The loss, including salvage expense, incurred with respect to damage by ammonia contacting or permeating property under refrigeration or in process requiring refrigeration, as a result of any one "Accident" to one or more "Objects." The coverage provided by this clause is sublimited as set forth in Section 3.

(c) Water Damage

The loss, including salvage expense, with respect to property damaged by water, resulting from any one "Accident." The coverage provided by this clause is sublimited as set forth in Section 3.

(d) Media Coverage

The loss to all forms of electronic, magnetic and optical tapes and discs used in any electronic computer or electronic data processing equipment directly damaged by an "Accident" to an "Object." The coverage provided by this clause is sublimited as per summary page. For the purpose of this coverage, the valuation basis for "Media" is as follows:

i. For "Media" that are mass-produced and commercially available, at the replacement cost.

ii. For all other "Media", at the cost of blank material for reproducing the records.

(e) Consequential Damage

The "Consequential Damage" to refrigerated and frozen goods of the Member or for which theMember is legally liable or under the Member's care, custody or control caused solely by an "Accident" to an "Object." For the purpose of this coverage, "Consequential Damage" is defined as loss due to spoilage from lack of power, light, heat, steam or refrigeration, resulting from "Accident". The coverage provided by this clause is sublimited as set forth in Section 3.

(f) Utility Interruption

The loss caused by an "Accident" to an "Object" that is owned, operated or controlled by a public or private entity that the Member has contracted with to furnish them with electrical utility service including all direct electrical suppliers. The coverage provided by this clause is sublimited as set forth in Section 3.

(g) CFC Refrigerants and Halon

The replacement of any CFC (chlorofluorocarbon) refrigerant used in refrigeration or air conditioning equipment or Halon used in a fire suppression system due to an "Accident" to an "Object."

(h) Ordinance or Law

If an "Accident" to an "Object" at the Member's location damages a building that is "Covered Property", MPR will pay for

i. Loss to the Undamaged Portion of the Building, meaning loss to the undamaged portion of the building caused by enforcement of any ordinance or law that:

(a) Requires the demolition of parts of the same building not damaged by the "Accident" to an "Object;" or

(b) Regulates the construction or repair of buildings, or establishes zoning or land use requirements at the location of the building.

ii. Demolition Cost meaning the cost to demolish and clear the site of undamaged parts of the building, caused by the enforcement of building, zoning, or land ordinance or use.

iii. Increased Cost of Construction, meaning the increased cost to:

(a) Repair or reconstruct damaged portions of the building; and

(b) Reconstruct or remodel undamaged portions of the building whether or not demolition is required;

When the increased cost is a consequence of enforcement of building, zoning or land use ordinance or law. But MPR will only pay for this increased cost if the building is repaired, reconstructed or remodeled. Also, if the building is repaired, reconstructed or remodeled, it must be intended for similar occupancy as the current building, unless such occupancy is not permitted by zoning or land use ordinance or law.

Coverage under this section only applies with respect to ordinance or law that is in force at the time of the "Accident" to an "Object." Coverage under this section does not apply to:

(a) Costs associated with the enforcement of any ordinance or law which requires any Member or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of substances declared to be hazardous to health by a governmental agency; or

(b) Loss due to any ordinance or law that:

i. The Member was required to comply with before the "Accident" to an "Object" even if the building was undamaged; and

ii. The Member failed to comply with.

The coverage provided by this clause is sublimited as per Summary page.

3. Definition of Accident

"Accident" shall mean a sudden and accidental breakdown of the "Object," or a part thereof, which manifests itself at the time of it occurrence by physical damage to the "Object" that necessitates repair or replacement of the "Object" or part thereof; but "Accident" shall not mean:

(a) depletion, deterioration, corrosion , or erosion of material;

(b) wear and tear;

(c) leakage at any valve, fitting, shaft seal, gland packing, joint or connection;

(d) the breakdown of any vacuum tube, gas tube or brush;

(e) the breakdown of any structure or foundation supporting the "Object" or any part thereof;

(f) the functioning of any safety device or protective device.

4. Definition of Object

Except as otherwise specifically designated herein, "Object" as described below shall mean any equipment or apparatus which is owned by, leased by or operated under the control of the Member subject to the Exclusions and Special Provisions specified herein:

(a) Any boiler, any fired vessel, any unfired vessel subject to vacuum or internal pressure other than static pressure of contents, any refrigerating and air conditioning vessels, or any piping and its accessory equipment, but such "Object" shall not include:

i. Any boiler setting, any insulating or refractory material,

ii. Any sewer piping, any underground gas piping, any piping forming a part of a sprinkler system or any water piping other than

(b) Feed water piping between any boiler and its feed pumps or injectors

(c) Boiler condensate returning piping

(d) Any mechanical or electrical machine or electrical apparatus used for the generation, transmission or utilization of mechanical or electrical power, but "Object" shall not include

i. Any structure or foundation other than a bedplate of a machine,

ii. Any vehicle, elevator, crane, hoist, power shovel or drag line, but not excluding any electrical equipment used with said machine or apparatus,

iii. Any refractory material, or

iv. Any penstock or draft tube.

5. <u>Covered Cause of Loss</u>

A Covered Cause of Loss is an "Accident" to an "Object" insured hereon. An "Object" must be in use or connected ready for use at the time of the "Accident".

6. <u>Covered Property</u>

"Covered Property," as used in this Extension, means any property that:

(a) The Member owns; or

(b) Is in the Member's care, custody or control and for which they are legally liable

7. <u>Special Provisions</u>

(a) As respects any boiler, fired or unfired vessel, refrigerating system or piping, MPR shall not be liable for loss from an "Accident" while said "Object" is undergoing a hydrostatic, pneumatic or gas pressure test that exceeds manufacturers recommended limits.

(b) As respects any boiler of fired vessel, MPR shall not be liable for loss from an explosion of gas or unconsumed fuel within the furnace of such "Object" or within the passages from the furnace to the atmosphere, whether or not such explosion (a) is contributed to or aggravated by an "Accident" to any part of said "Object" that contains steam or water, or (b) is caused in whole or in part, directly or indirectly, by any "Accident" to any "Object," or part thereof, nor shall MPR be liable for any loss from an "Accident" caused directly or indirectly by such explosion.

(c) As respects any unfired vessel which is used for the storage of gas or liquid and which is periodically filled, moved, emptied and refilled in the course of its normal service, such vessel shall be considered as "connected ready for use" within the terms of this Extension of coverage.

(d) As respects any "Object" or part of an "Object" that is being dismantled, reassembled or is in storage, will be considered as "connected ready for use" within the terms of this Extension of coverage.

(e) As respects any gas turbine of the internal combustion type, (a) the combustor or such "Object" shall not be considered to be a "furnace" as the word is used in the definition of "Accident" and (b) the definition of "Accident" shall not mean the cracking of any part of the turbine exposed to the production of combustion.

(f) As respects new turbine generator units, coverage shall not apply until the unit has been contractually accepted by the Member, that all tests required by the contractor have been performed and satisfied and the unit has been placed in commercial operation.

8. Valuation

(a) MPR will pay the Member the amount the Member spends to repair or replace the property directly damaged by an "Accident". MPR payment will be the smallest of:

i. The Limit of Coverage set forth in Section 3;

ii. The cost at the time of the "Accident" to repair the damaged property with property of like kind, capacity, size and quality;

iii. The cost at the time of the "Accident" to replace the damaged property on the same site with other property:

(A) Of like kind, capacity, size and quality; and

(B) Used for the same purpose

iv. The amount the Member actually spends that is necessary to repair or replace the damaged property.

(b) As respects any "Object" if the cost of repairing or replacing only a part of the "Object" is greater than:

i. the cost of repairing the "Object"; or

ii. the cost of replacing the entire "Object" on the same site;

MPR will pay only the smaller of (i) or (ii). The repair parts or replacement "Object" must be:

(A) of like kind, capacity, size and quality; and

(B) used for the same purpose.

(c) MPR will not pay:

i. if the loss or damage is to property that is obsolete or useless to the Member; or

ii. for any extra cost if the Member decides to repair or replace the damaged property with property of a better kind or quality or of larger capacity,

(d) If the Member does not repair or replace the damaged property within 18 months after the date of the "Accident" then MPR will pay on the smaller of the:

i. cost it would have taken to repair; or

ii. actual cash value; at the time of the "Accident".

Paragraph (d) does not apply to any time period beyond the 18 months that MPR agrees to in writing relating to a specific "Accident."

(e) As respects CFC (chlorofluorocarbon) refrigerant or Halon, the following valuation basis is applicable:

i. If the CFC refrigerant or Halon is replaceable, the Member may, at their option, elect to:

(a) Repair or replace the damaged refrigeration equipment, air conditioning equipment or fire suppression system and replace the lost CFC refrigerant or Halon subject to it being of like kind, capacity, size and quality and used for the same purpose; or

(b) Change the refrigeration equipment, air conditioning equipment or fire suppression system, through modification or replacement, to:

1. Refrigeration or air conditioning equipment that uses an approved non - CFC refrigerant; or

2. A fire suppression system that uses an approved non – Halon agent.

But this option is available only if the change to the equipment or system is made within 18 months after the date of the "Accident" or within any extended time period that MPR agrees to in writing relating to a specific "Accident".

If Option i(b) above is elected, MPR will not pay more than the least of the following amounts:

(a) The Limit of Coverage set forth in Section 3;

(b) The cost at the time of the "Accident" to repair the damaged refrigeration equipment, air conditioning equipment or fire suppression system, retrofit the equipment or system to accept non – CFC refrigerant or non – Halon fire suppressant, and charge the equipment or system with that refrigerant or fire suppressant;

(c) The cost at the time of the "Accident" to replace the damaged refrigeration equipment, air conditioning equipment or fire suppression system with equipment or a system that is functionally equivalent and uses an approved non – CFC refrigerant or non – Halon fire suppressant;

(d) The amount that the Member actually spend that is necessary to change the refrigeration equipment, air conditioning equipment or fire suppression system, through modification or replacement, to equipment or a system that uses an approved non – CFC refrigerant or non – Halon fire suppressant; or

(e) One hundred twenty-five percent (125%) of the amount MPR otherwise would have paid for loss to the refrigeration equipment, air conditioning equipment or fire suppression system.

(f) If the CFC refrigerant or Halon is not replaceable and:

i. The Member repairs or replaces the damaged equipment within 18 months after the date of the "Accident" or within any extended time that the Company agrees to in writing relating to a specific "Accident," MPR will pay the least of the following amounts:

(a) The Limit of Coverage set forth in Section 3;

(b) The cost at the time of the "Accident" to repair the damaged refrigeration equipment, air conditioning equipment or fire suppression system, retrofit the equipment or system to accept non – CFC refrigerant or non – Halon fire suppressant, and charge the equipment or system with that refrigerant or fire suppressant;

(c) The cost at the time of the "Accident" to replace the damaged refrigeration equipment, air conditioning equipment or fire suppression system with equipment or a system that is functionally equivalent and uses an approved non – CFC refrigerant or non – Halon fire suppressant;

(d) The amount that the Member actually spend that is necessary to change the refrigeration equipment, air conditioning equipment or fire suppression system, through modification or replacement, to equipment or a system that uses an approved non - CFC refrigerant or non -Halon fire suppressant.

ii. If the Member does not replace the damaged equipment within 18 months after the date of the "Accident" or within any extended time period that MPR agrees to in writing relating to a specific "Accident," MPR will not pay more than the lesser of:

(a) The amount that MPR would have paid if repair or replacement of the damaged equipment had been made as determined in F 1 above; or

(b) The actual cash value of the damaged equipment at the time of the "Accident."

(g) As respects Coverage under Ordinance and Law, the most MPR will pay as a result of any one "Accident" for:

i. Loss to the undamaged portion of the building is included in the Limit of Coverage that otherwise applies to the damaged building. But in no event will the amount MPR pay for loss to the building, including the loss in value of the undamaged portion of the building due to enforcement of an ordinance or law to which this coverage applies, exceed:

(a) The amount that the Member actually spends to repair, rebuild or replace the building, but not more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property; or

(b) The actual cash value of the building at the time of loss if the building is not repaired or replaced.

ii. Demolition and Increased Cost of Construction as set forth in Section 3, subject to the following:

(a) With respect to the coverage provided for Demolition Cost, MPR will not pay more than the amount the Member actually spend to demolish and clear the site of the undamaged parts of the building;

(b) With respect to the coverage provided for Increased Cost of Construction:

(A) We will not pay for the Increased Cost of Construction:

Until the building is actually repaired or replaced at the same or another premises; and

Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed 18 months. MPR may extend this period in writing during the 18 months.

(B) If the building is repaired or replaced at the same location, or if the Member elects to rebuild at another location, the most MPR will pay for the increased cost of construction is the increased cost of construction at the same location.

(C) If the ordinance or law requires relocation to another location, the most MPR will pay for the increased cost of construction is the increased cost of construction at the new location.

(h) If a claim or "suit" is brought against the Member alleging that the Member is liable for damage to property of another that was caused by an "Accident" to an "Object," MPR will either:

i. Settle the claim or "suit", or

ii. Defend the Member against the "suit" but reserve the right to settle at any point.

9. <u>Exclusions</u>

(a) To loss from explosion of an "Object" other than:

i. Any steam boiler, steam piping, steam turbine, gas turbine, steam engine, or

ii. Any machine when such loss is caused by centrifugal force or mechanical breakdown,

(b) Nuclear reaction or radiation or radioactive contamination however caused, however this exclusion shall not apply to nuclear medicine at covered hospitals,

(c) From fire concomitant with or following an "Accident."

(d) From an "Accident" caused directly or indirectly by fire.

(e) From a combustion explosion outside the "Object" concomitant with or following an "Accident."

(f) From an "Accident" caused directly or indirectly by a combustion explosion outside an "Object."

10. <u>Conditions</u>:

(a) Inspection

MPR shall be permitted but not obligated to inspect the Member's property and operations at any reasonable time. Neither the right to make inspections nor the making thereof nor any advice or report resulting therefrom shall constitute an undertaking, on behalf of or for the benefit of the Member or others, to determine or warrant that such property or operations are safe or healthful, or are in compliance with any law, rule or regulation.

(b) Suspension

Upon the discovery of a dangerous condition with respect to any "Object," MPR may immediately suspend the coverage, with respect to an "Accident" to said "Object," by written notice mailed or delivered to the Member at the address of the Member on file with MPR, or at the location of the "Object," as stated for it in a schedule or endorsement. The coverage so suspended may be reinstated by MPR.

42. GOLF COURSE OUTDOOR GROUNDS

Golf Course Outdoor Grounds:

a. We will pay for direct physical loss of or damage to "golf course outdoor grounds" at a Member Entity's premises directly caused by:

1) Fire;

2) Lightning;

3) Explosion;

4) Windstorm or hail;

5) Aircraft or vehicles;

6) Riot or civil commotion;

7) Vandalism;

8) "Sinkhole collapse"

9) Volcanic action;

10) Falling objects; or

11) Weight of snow, ice, or sleet.

b. We will determine the amount of covered loss or damage as follows:

1) For physical loss of or damage to trees: $50 per tree, maximum $50,000 which includes reasonable and necessary costs to remove tree and/or replace.

2) For physical loss of or damage to "golf course outdoor grounds" other than trees, the reasonable and necessary costs to replace the damaged "golf course outdoor grounds" with that of similar type, size, and quality to that which was damaged, including reasonable replanting, repairing, and installation costs. We will make no payment until

such repair, replacement, installation, or replanting is actually made.

The most we will pay under this Additional Coverage at any one premises are the Limits of Insurance shown on the Declarations for Golf Course Outdoor Grounds.

We will pay your expenses to remove debris of covered "golf course outdoor grounds" remaining
after a "covered cause of loss". The most we will pay under this Additional Coverage for Debris Removal is the remaining applicable Limit of Insurance for the "golf course outdoor grounds" shown on the Declarations after payment of the covered physical loss or damage. Trees are limited as stated in b1 above.

"Golf course outdoor grounds" means:

a. Fairways, greens, tees, rough areas, out-of-bounds areas, sand traps, driving ranges; and

b. Land, lawns, trees, shrubs, and plants located on golf course.

"Sinkhole collapse" means:

Lowering of the ground or collapse of the ground or land creating a hole or depression which is due solely to naturally occurring geologic features. This occurs when the rock below the land is dissolved by groundwater that flows though it and the rock is no longer able to support or hold up the land surface above it.

Exclusions specific to this subpart:

We will not pay for loss of "business income" caused by or resulting from loss of or damage to "golf course outdoor grounds" unless the loss or damage is directly caused by fire, lightning, explosion, windstorm or hail, aircraft or vehicles, riot or civil commotion, vandalism, "sinkhole collapse", volcanic action, falling objects, or weight of snow, ice, or sleet.

We will not pay for "extra expense" incurred caused by or resulting from loss of or damage to "golf course outdoor grounds" unless the loss or damage is directly caused by fire, lightning, explosion, windstorm or hail, aircraft or vehicles, riot or civil commotion, vandalism, "sinkhole collapse", volcanic action, falling objects, or weight of snow, ice, or sleet.

City of Harrisonville est. 1836

STAFF REPORT

TO: Board of Aldermen
FROM: Rachel Uptergrove,
DATE: July 12, 2017
SUBJECT: Parks Roofing Repairs

Type of Item: *Approval*

A bid was sent out for the roof repairs to Park structures that were damaged from a hail storm this past spring. Eight different companies inquired and requested bids from the newspaper and website posting; however, only one company submitted a bid, which is attached.

The total funds allowed for this project are listed on the bid advertisement, which was based on the city insurance companies determined allocation. The total allocated was $42,245 and multiple companies called to say that this amount was not enough funds to complete the project. According to our insurance coverage from MPR, the following statement is provided: *"Actual cash value means cost of replacing damaged or destroyed covered property of like kind and quality less an amount for age, depreciation and obsolescence".*

The bid total received from the single source bidder (Tailor Made Exteriors LLC from Lee's Summit) was $52,652.80. A grand total of $79,952.80 included an alternate bid for the skylight repair at the Outdoor Pool bath house.

As stated in the bid document, *"The City reserves the right to accept or reject any or all bids and to waive any technicalities, irregularities, or informalities therein; to accept all or a portion of the bid submitted; and to determine which is the lowest, responsive, responsible bid as determined by the Board of Alderman".*

As stated above, the Park Board accepted and approved a portion of this bid, in order to complete the majority of the work needed to repair the roofing structures in the Parks. With this, the following recommendation is provided:

Agree to repair all of the roofing structures within City Park (not including the skylights). This would include Shelter houses 1 through 9 as well as the Outdoor Pool Bath House and Pool Pump Room structures for a total cost of $40,727.88. The remaining funds allocated would be $1,517.12, which can be used for materials to roof the upper concessions stand at North Park. This project would be completed in house. The dugouts at North Park could be finished over time within the annual budget.

Staff and the Park Board is requesting the Board of Alderman to approve the above stated process and total to be paid to Tailor Made Exteriors, LLC of $40,726.88, after work is completed. Staff will answer any questions at the Board of Alderman meeting or before. Thank you.

Council Bill No. 049

Resolution No.

Parks Roofing Repairs

A Resolution of the Board of Aldermen of Harrisonville, Missouri Authorizing the City Administrator to enter into agreement with Tailor Made Exteriors, LLC.

Whereas, the City parks experienced damage from the severe storm on February 28, 2017 at various structures; and

Whereas, after proper notification for bids was put in the newspaper, online, and at city hall, the City received multiple calls from potential bidders that the amount allocated for the full scope of the repairs was insufficient;

Whereas, the sole bidder was Tailor Made Exteriors, LLC ("Tailor Made"), whose bid is attached to this Resolution;

Whereas, the Park Board recommends that the Board of Alderman approve a portion of the bid of Tailor Made that will repair all of the roofing structures within the City Park, not including skylights, for a total cost of $40,727.88;

Whereas, the Parks Board recommends that the remaining insurance proceeds in the amount of $1,517.12 be used for materials to roof the upper concessions stand at North Park; and

Whereas, The Board of Alderman believe that the Park Board recommendations are in the best interest of the City and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI, AS FOLLOWS:

<u>Section 1:</u> That the City Administrator of the City of Harrisonville is hereby authorized and directed to enter into an Agreement with Tailor Made Exteriors, LLC in the amount of $40,726.88 for park roof repairs.

Section 2. That the City Administrator is hereby authorized to use the remaining proceeds of the insurance funds received by the City of $1,517.12 for materials to roof the upper concessions stand at North Park.

<u>Section 3:</u> That this resolution shall become effective immediately upon its passage and approval.

PASSED AND RESOLVED by the Board of Aldermen and **APPROVED** by the Mayor of the City of Harrisonville, Missouri this 17th day of July 2017.

____

Brian Hasek, Mayor and Ex-Officio

Chairman of the Board of Aldermen

ATTEST:

____

Randall K. Jones, City Clerk

WITNESS my hand and seal this 17th day of July 2017

Tailor Made Exteriors LLC
4251 NE Sun Ct, Ste A
Lees Summit, MO 64064
www.TailorMadeExteriors.com

TAILOR MADE EXTERIORS
siding • windows • roofing
doors • decks
TME
816-347-8328
Fax: 816-347-8335
because your house is your HOME

Proposal

Date	Proposal No.
6/21/2017	2098

Customer
Harrisonville Parks and Recreation City of Harrisonville Po Box 367 - 2400 Jefferson Pkwy Harrisonville, MO 64701

Project

Description	Total
Proposal No. P&R-2017-01 Roofing Bid	
North Park Roof Replacement of 14 Dugouts and 1 Concession Stand (by fields 5, 6, 7) Tear off existing roof down to the decking. Install new vents and flashing Install new Synthetic Felt with 30 year life time Architectural shingles.	11,925.92
City Park Roof Replacement of Shelter houses 1-9, 1 Gazebo and Camp Reeder Bath house Tear off existing roof down to the decking. Install new Synthetic Felt with 30 year life time Architectural shingles.	23,535.68
City Park Roof Replacement of Outdoor Pool Building and Pool Pump Room Building Tear off existing roof down to the decking. Install new vents and flashing Install new Synthetic Felt with 30 year life time Architectural shingles.	17,191.20
Alternate: Remove and replace existing Skylights at the outdoor pool building and pool pump room building with like and kind per scope.	27,300.00
Estimate includes material and labor. Jobsite to be cleaned up daily. Trash and debris to be removed by TME	
Total	$79,952.80

All products to be installed per manufacturers specifications. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders. All contracts contingent upon weather or delays beyond our control. Jobs that exceed 4 weeks length will be subject to progress payments, schedule to be agreed upon. 1 1/2% finance charge will be applied monthly if balance is not paid in full upon completion of contract. All attorney fees to be paid by customer. If balance is not paid in full upon contract completion, warranty will be voided.

Note: This proposal is valid for 30 days TME Representative Signature:

Acceptance of Proposal

Above prices, specifications and conditions are satisfactory and are hereby accepted. TME is authorized to do the work as specified. Payment will be made as outlined above. *If electronic programs (ie. Eagleview, etc.) are used to calculate material, or if a TME Estimator is using insurance calculations, then these methods are considered a +/- estimation that may vary.

Date of Acceptance: ____________ Authorized Signature: ____________

CONSENT OF OWNER; CONSENT IS HEREBY GIVEN FOR FILING OF MECHANIC'S LIEN BY ANY PERSON WHO SUPPLIES MATERIALS OR SERVICES FOR THE WORK DESCRIBED IN THIS CONTRACT ON THE PROPERTY ON WHICH IT IS LOCATED IF HE IS NOT PAID.

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Happy Welch, City Administrator**

DATE: **July 7, 2017**

SUBJECT: **TDD Dissolve**

Type of Item: *Approval*

The City and County entered into a TDD arrangement in 2013 to create a taxing district for an area around the hospital to fund road improvements that were anticipated with the relocation of Cass Regional Medical Center. Growth has not occurred and the TDD does not generate enough funds to cover the yearly attorney fees to maintain it. To get rid of the TDD the agreement needs to be amended and it will cost the city $12,500 to pay off our portion of the costs to create the TDD. The County has a matching $12,500 amount that they will owe with the remainder ($53,099) to be wiped off the books by Gilmore-Bell.

The Finance Director says there are funds available for this payment in the line item established to remove the old police department/search for a new city administrator in the 2017 budget.

We will be approving the contract amendment first followed by the County and then the TDD Board. The county has confirmed they are in favor of dissolving the TDD.

Council Bill No. 050

Resolution No.

TDD Dissolve

A Resolution of the Board of Aldermen of Harrisonville, Missouri Authorizing the City Administrator to amend TDD agreement

WHEREAS, The Parties entered into a Cooperative Agreement, dated November 21, 2013 (the "**Cooperative Agreement**") and.

WHEREAS, The Parties desire to dissolve the District and to enter into this First Amendment in order to modify the Cooperative Agreement to provide for the terms and conditions under which the District is terminated.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI, AS FOLLOWS:

Section 1: That the City Administrator of the City of Harrisonville is hereby authorized and directed to enter into an Agreement to amend TDD agreement to dissolve not to exceed $12,500.00.

Section 2: That this resolution shall become effective immediately upon its passage and approval.

PASSED AND RESOLVED by the Board of Aldermen and **APPROVED** by the Mayor of the City of Harrisonville, Missouri this 17th day of July 2017.

____

Brian Hasek, Mayor and Ex-Officio
Chairman of the Board of Aldermen

ATTEST:

____

Randall K. Jones, City Clerk

WITNESS my hand and seal this 17th day of July 2017

FIRST AMENDMENT TO COOPERATIVE AGREEMENT

THIS FIRST AMENDMENT TO COOPERATIVE AGREEMENT ("**First Amendment**") is made and entered into as of this ______ day of ________________, 2017, by and among the **CITY OF HARRISONVILLE, MISSOURI,** a fourth class city and political subdivision of the State of Missouri (the "**City**"), **CASS COUNTY, MISSOURI**, a county of the first class of the State of Missouri (the "**County**"), and the **HOSPITAL INTERCHANGE TRANSPORTATION DEVELOPMENT DISTRICT**, a Missouri transportation development district (the "**District**" or "**TDD**") (the City, the County, and the District being sometimes collectively referred to herein as the "**Parties**", and individually as a "**Party**", as the context so requires).

RECITALS

A. The Parties entered into a Cooperative Agreement, dated November 21, 2013 (the "**Cooperative Agreement**").

B. The Parties desire to dissolve the District and to enter into this First Amendment in order to modify the Cooperative Agreement to provide for the terms and conditions under which the District is terminated.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and mutual promises contained herein and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Section 1. The Cooperative Agreement is hereby amended by the addition of a new Section 3.13 which shall read as follows:

Section 3.13. Termination of the District.

A. The Board of Directors of the District has voted to begin the process of terminating the District pursuant to Section 238.275, RSMo, because it has determined that the District is unable to complete its project. In order for a transportation development district to be dissolved, the state auditor must audit the district to determine the financial status of the district, and whether the district may be abolished pursuant to law, including the issue of whether the district liabilities exceed its assets.

B. Significant costs were incurred in the formation and operation of the District which remain unpaid, as follows:

(1) Attorneys' fees to Gilmore & Bell, P.C. for formation of the District in the amount of $59,850.00 (the "**Formation Costs**"); and

(2) Attorneys' fees to Gilmore & Bell, P.C. for operation and administration of the District since formation to the present date in the amount of $13,249.00 (the "**Operational Costs**").

C. In addition to the costs to form and operate the District, Gilmore & Bell, P.C. has agreed to provide legal services for termination of the District for the sum of $5,000.00 (the "**Termination Costs**").

D. The Parties desire to set forth their respective obligations with respect to funding the costs necessary to eliminate District liabilities so that the District may be terminated, as follows:

(1) The County agrees to pay to Gilmore & Bell, P.C. the sum of $12,500.00 representing the Formation Costs, which amount Gilmore & Bell, P.C. has agreed to accept in full satisfaction of the amount of Formation Costs due; and

(2) The City agrees to pay to Gilmore & Bell, P.C. the sum of $12,500.00 representing the Operational Costs and the Termination Costs, which amount Gilmore & Bell, P.C. has agreed to accept in full satisfaction of the amount of Operational Costs and Termination Costs due.

Section 2. The terms of the Cooperative Agreement shall remain in full force and effect, except as modified herein.

Section 3. The parties hereto acknowledge and agree that this First Amendment may be executed in one or more original counterparts, each of which when taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, each of the parties hereto has caused this First Amendment to be signed in its respective name and behalf and its official seal to be hereunto affixed and attested by its duly authorized officers, all as of the date first above written.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

CASS COUNTY, MISSOURI

By: ______________________________
Jeff Cox, Presiding Commissioner

ATTEST:

____
Michael Vinck, County Clerk

CITY OF HARRISONVILLE, MISSOURI

By:______________________________________
Brian Hasek, Mayor

ATTEST:

____
Randall K. Jones, City Clerk

HOSPITAL INTERCHANGE TRANSPORTATION DEVELOPMENT DISTRICT

By:______________________________________
Brian Hasek, Executive Director

ATTEST:

____
Theron Swigart, Secretary

BALANCE SHEET
AS OF: DECEMBER 31ST, 2016

33 -HOSPITAL INTERCHANGE TDD

ACCOUNT#	TITLE			
ASSETS				
33-1001	CLAIM ON CASH	3,268.00		
			3,268.00	
	TOTAL ASSETS			3,268.00
LIABILITIES				
EQUITY				
33-3001	FUND BALANCE	3,054.29		
	TOTAL BEGINNING EQUITY	3,054.29		
	TOTAL REVENUE	2,106.72		
	TOTAL EXPENSES	1,893.01		
	TOTAL REVENUE OVER/(UNDER) EXPENSES	213.71		
	TOTAL EQUITY & REV. OVER/(UNDER) EXP.		3,268.00	
	TOTAL LIABILITIES, EQUITY & REV.OVER/(UNDER) EXP.			3,268.00

6.E.b

Attachment: 161231 - Balance Sheet (2568 : TDD Dissolve)

3-14-2017 09:15 AM CITY OF HARRISONVILLE PAGE: 1

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: DECEMBER 31ST, 2016

33 -HOSPITAL INTERCHANGE TDD

FINANCIAL SUMMARY

% OF YEAR COMPLETED: 100.00

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
REVENUE SUMMARY							
SALES TAXES	0	359.41	0.00	2,100.80	0.00	(2,100.80)	0.00
INTEREST	0	0.92	0.00	5.92	0.00	(5.92)	0.00
TOTAL REVENUE	0	360.33	0.00	2,106.72	0.00	(2,106.72)	0.00
EXPENDITURE SUMMARY							
ADMINISTRATION	0	3.59	0.00	1,893.01	0.00	(1,893.01)	0.00
TOTAL EXPENDITURES	0	3.59	0.00	1,893.01	0.00	(1,893.01)	0.00
REVENUE OVER/(UNDER) EXPENDITURES	0	356.74	0.00	213.71	0.00	(213.71)	0.00

REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: DECEMBER 31ST, 2016

33 -HOSPITAL INTERCHANGE TDD

% OF YEAR COMPLETED: 100.00

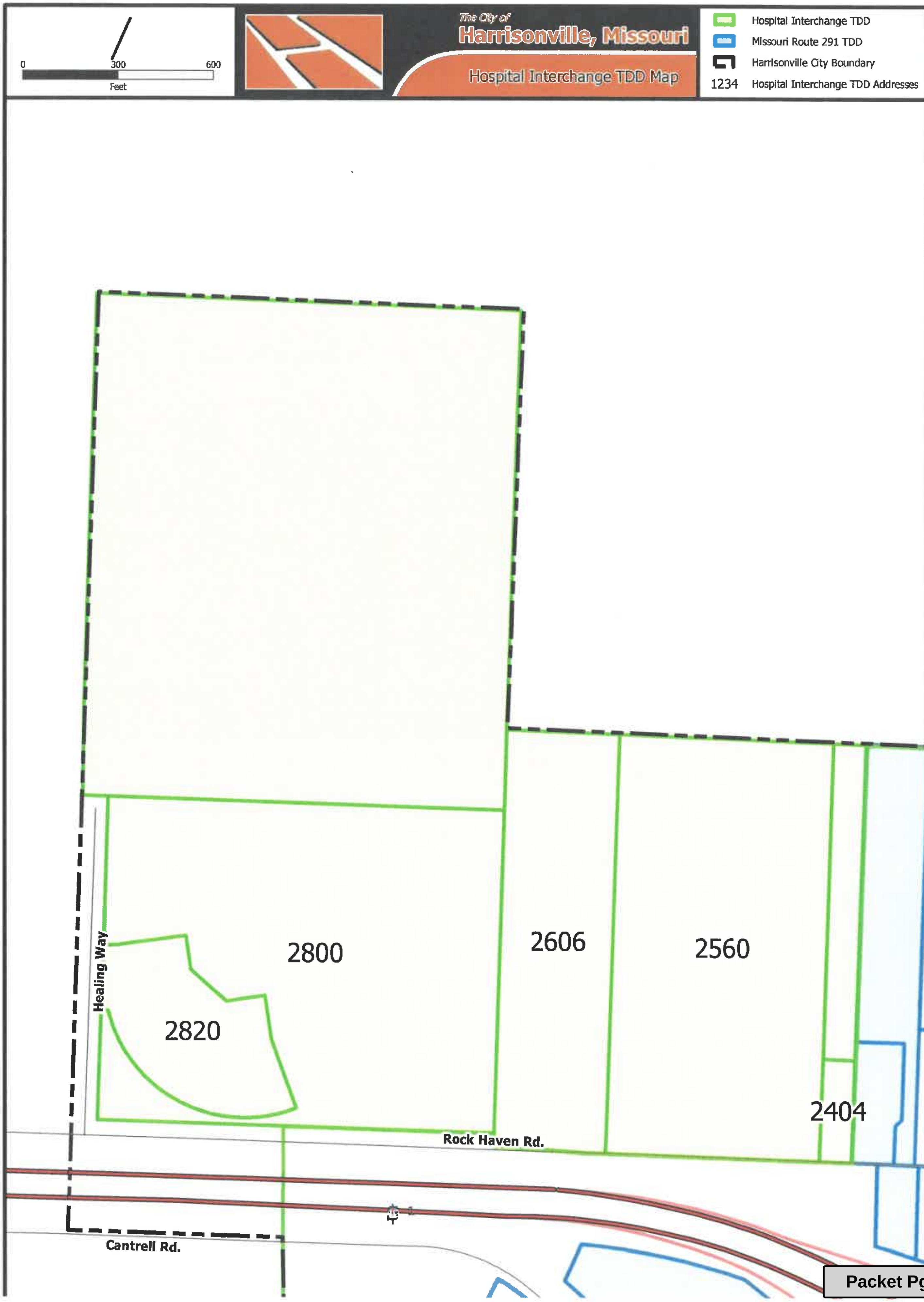
REVENUES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
SALES TAXES							
33-5025 TDD COLLECTIONS	0	359.41	0.00	2,100.80	0.00	(2,100.80)	0.00
TOTAL SALES TAXES	0	359.41	0.00	2,100.80	0.00	(2,100.80)	0.00
INTEREST							
33-5815 INTEREST INCOME	0	0.92	0.00	5.92	0.00	(5.92)	0.00
TOTAL INTEREST	0	0.92	0.00	5.92	0.00	(5.92)	0.00
TOTAL REVENUE	0	360.33	0.00	2,106.72	0.00	(2,106.72)	0.00

REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: DECEMBER 31ST, 2016

33 -HOSPITAL INTERCHANGE TDD

% OF YEAR COMPLETED: 100.00

EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D BALANCE	TOTAL ENCUMBERED	BUDGET BALANCE	% OF BUDGET
ADMINISTRATION							
OTHER CHARGES							
33-6-0103-0441 ADMIN FEES	0	3.59	0.00	21.01	0.00	(21.01)	0.00
33-6-0103-0444 TDD EXPENSE	0	0.00	0.00	1,872.00	0.00	(1,872.00)	0.00
TOTAL OTHER CHARGES	0	3.59	0.00	1,893.01	0.00	(1,893.01)	0.00
TOTAL ADMINISTRATION	0	3.59	0.00	1,893.01	0.00	(1,893.01)	0.00
TOTAL EXPENDITURES	0	3.59	0.00	1,893.01	0.00	(1,893.01)	0.00
REVENUE OVER/(UNDER) EXPENDITURES	0	356.74	0.00	213.71	0.00	(213.71)	0.00



0
300
600
Feet
The City of
Harrisonville, Missouri
Hospital Interchange TDD Map
Hospital Interchange TDD
Missouri Route 291 TDD
Harrisonville City Boundary
1234 Hospital Interchange TDD Addresses
2800
2820
2606
2560
2404
Healing Way
Rock Haven Rd.
Cantrell Rd.

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Eric Patterson, Director**

DATE: **July 11, 2017**

SUBJECT: **2017 Ann Terrace Storm Drainage Improvements**

Type of Item: *Contract*

Type of Item:

Staff seeks Board approval to award and execute contract with Redford Construction for construction of storm drainage capital improvements on the Ann Terrace Storm Drainage Improvement project.

Issue:

Residents from Ann Terrace to Chateau Drive have experienced historic flooding.

Background:

Staff has designed and bid out storm drainage improvements to alleviate the frequent flooding in this neighborhood. Four different public meetings were held and various changes made to the design to accommodate the resident's requests, and subsequently the necessary easements have all been obtained to facilitate the construction of these improvements. The work will consist of the installation of pipes, inlets, junction structures, curbs, grading and other miscellaneous drainage features including demolition, filling, pavement repairs, and site restoration.

On June 25, 2017 competitive bids were received and opened as follows:

1. Redford Construction, Raymore, MO… $143,808.00
2. Triple C Underground, Odessa, MO… $147,597.00
3. Wiedenmann, Inc., Belton, MO… $158,800.00
4. KAT Excavating, Bates City, MO… $159,537.00
5. Radmacher Brothers, Pleasant Hill, MO… $168,009.00
6. Precision Construction, Lone Jack, MO… $168,709.49
7. Pyramid Excavating, Kansas City, MO… $172,800.00
8. Gridiron Construction, Grandview, MO... $176,418.50
9. Kissick Construction, Kansas City, MO… $177,316.00
10. Bennett, Inc., Lamar, MO… $178,490.00

11. Hettinger Construction, Drexel, MO…	$186,049.00
12. Amino Brothers Co., Kansas City, MO…	$199,533.30
13. J & N Utilities, Blue Springs, MO…	$207,380.00

Recommendations:

Staff has reviewed the submittals and background information for the low bidder and requests the Board approve the award and execution of a contract with Redford Construction for the construction of the Ann Terrace Storm Drainage Improvements for a not to exceed price of $143,808.00.

Council Bill No. 051

Resolution No.

A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO AN AGREEMENT WITH Redford Construction FOR the 2017 Ann Terrace Storm Drainage Improvements IN AN AMOUNT NOT TO EXCEED $143,808.00

WHEREAS, the City of Harrisonville has determined that Redford Construction Is competent to perform services for the City of Harrisonville; and

WHEREAS, Redford Construction agrees to perform services for the City of Harrisonville;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI, AS FOLLOWS:

Section 1: That the City Administrator of the City of Harrisonville is hereby authorized and directed to enter into an Agreement with Redford Construction To provide asphalt overlay services in an amount not to exceed $143,808.00;

Section 2: That this resolution shall become effective immediately upon its passage and approval.

PASSED AND RESOLVED by the Board of Aldermen and **APPROVED** by the Mayor of the City of Harrisonville, Missouri this 17^{h} day of July 2017.

____

Brian Hasek, Mayor & Ex Officio

Chairman of the Board of Aldermen

ATTEST:

____

Randy Jones, City Clerk

WITNESS my hand and seal this 17th day of July 2017

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Eric Patterson, Director**

DATE: **June 29, 2017**

SUBJECT: **Water Pump Repair at Lake Harrisonville**

Type of Item: *Approval*

Staff Report On March 15, 2017, we asked Alliance Pump to come pull our main water supply pump from Lake Harrisonville to make repairs and do normal maintenance. Normally a pump repair comes in below $10,000. After they disassembled the pump, they found several things wrong and it was determined that it needed a complete rebuild not just repaired. Alliance has been the main company to repair pumps for Public Works. We have tried the others in the past and had very bad luck with timeline and substandard repairs. This pump is the main pump used to supply water to the City, with Summer coming and that increased need for water, we really needed this pump operational. With this pump down the operators would have to spread their shifts out in summer peak usage. This would mean no overlap in shifts and no time for routine plant maintenance.

Staff is asking the Board to approve this payment made in the amount of $26,094.07 for PO # 17-2346.

Council Bill No. 052

Resolution No.

Water Pump Repair at Lake Harrisonville

WHEREAS, the City of Harrisonville has determined that Alliance is competent to perform services for the City of Harrisonville; and

WHEREAS, Alliance Pump agrees to perform services for the City of Harrisonville;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI, AS FOLLOWS:

Section 1: That the City Administrator of the City of Harrisonville is hereby authorized and directed to enter into an Agreement with Alliance Pump to provide pump repair services in an amount not to exceed $26,094.07;

Section 2: That this resolution shall become effective immediately upon its passage and approval.

PASSED AND RESOLVED by the Board of Aldermen and **APPROVED** by the Mayor of the City of Harrisonville, Missouri this 17h day of July 2017.

____

Brian Hasek, Mayor & Ex Officio
Chairman of the Board of Aldermen

ATTEST:

____

Randy Jones, City Clerk

WITNESS my hand and seal this 17th day of July 2017

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Marcella McCoy, Director**

DATE: **July 6, 2017**

SUBJECT: **Resolution to Amend Resolution R001-12 Adopt Investment Policy**

Type of Item: *Policy*

Staff Report

The proposed investment policy was presented to the Finance Committee on Monday, July 10, 2017. The Committee recommends the proposed policy be brought to the Board of Aldermen for adoption.

The City's investment policy has been adopted for a number of years. The latest revision was adopted in January 2012 citing updated accounting review standards required language. Prior to that, the policy was updated in April 2007. The current investment policy is attached for your information.

The attached proposed investment policy is drafted from a template provided by the Missouri State Treasurer's Office. Over the past few years, with interest rates remaining low, it is not an easy task to make investment decisions based on the current policy. Additionally, the current policy requires a certain percentage of investment in Saving and Loan Associations. There are few Saving and Loan Associations in today's market that makes it nearly impossible to maintain the required percentages. This along with changes in today's investment market and advise from several investment experts is requiring an update to the investment policy. Lastly, the State Audit report mentions accounting policies and need to establish or amend the policies.

Staff along with the Finance Committee recommends approval of the proposed investment policy as presented.

Council Bill No. 053

Resolution No.

A Resolution to Amend Resolution R001-12 Adopt Investment Policy for the City of Harrisonville, Missouri by rescinding the existing policy in its entirety and adopting the investment policy

Whereas, it is the policy of the City of Harrisonville to invest public funds in a manner which will provide maximum security; and

Whereas, the highest investment returns are desired while meeting cash flow demands of the city; and

Whereas, the city shall conform to all state and local statutes governing the investment of public funds; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMAN OF THE CITY OF HARRISONVILLE, MISSOURI, AS FOLLOWS:

Section1: That the City of Harrisonville shall rescind the existing investment policy adopted with Resolution R001-12.

Section 2: That the City of Harrisonville shall adopt an Investment Policy that is attached hereto as if more fully set forth herein.

Section 3: That the City shall adhere to the Investment Policy stipulations as set forth in said document.

Section 4: That this resolution shall become effective immediately upon its passage and approval by the Board of Aldermen and Mayor.

READ and DULY PASSED by the Board of Aldermen and APPROVED by the Mayor of the City of Harrisonville, Missouri, this 17th day of July, 2017.

____

Brian Hasek, Mayor and Ex-Officio

Chairman of the Board of Aldermen

ATTEST:

____

Randall K. Jones, City Clerk

WITNESS my hand and seal this 17th day of July, 2017.

INVESTMENT POLICY

I. Scope

This policy applies to the investment of all operating funds of the City of Harrisonville. Longer-term funds, including investment of employees' retirement funds and proceeds from certain bond issues, are covered by a separate policy.

Pooling of Funds

Except for cash in certain restricted and special funds, the City of Harrisonville will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

External Management of Funds

Investment through external programs, facilities and professionals operating in a manner consistent with this policy will constitute compliance.

II. General Objectives

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

A. Safety

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

1. Credit Risk

The City of Harrisonville will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:

- Pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the City of Harrisonville will do business.
- Diversifying the portfolio so that potential losses on individual securities will be minimized.

City of Harrisonville, MO
P.O. BOX 367
Harrisonville, MO 64701
(816) 380-8900
FAX (816) 380-8910
WWW.HARRISONVILLE.COM

2. **Interest Rate Risk**

The City of Harrisonville will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
- Investing operating funds primarily in shorter-term securities.

B. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). A portion of the portfolio also may be placed in bank deposits or repurchase agreements that offer same-day liquidity for short-term funds.

C. Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal.
- A security swap would improve the quality, yield, or target duration in the portfolio.
- Liquidity needs of the portfolio require that the security be sold.

III. Standards of Care

A. Prudence

All participants in the investment process shall act responsibly as custodians of the public trust. The standard of prudence to be applied by the personnel of the Investment Division is the "prudent investor" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

B. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of the City of Harrisonville.

C. Delegation of Authority

Authority to manage the investment program is granted to the Accounting Specialist as Investment Officer under the direction of the Director of Finance for the City of Harrisonville and/or an external professional organization. Authority is derived from the Accounting Specialist Job Description adopted in 2003. Responsibility for the operation of the investment program is hereby delegated to the investment officer, who shall act in accordance with the established written procedures and internal controls for the operation of the investment program consistent with this investment policy.
Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the investment officer. The investment officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

IV. Investment Transactions

A. Authorized Financial Dealers and Institutions

A list will be maintained of financial institutions authorized to provide investment transactions. In addition, a list also will be maintained of approved security broker/dealers selected by creditworthiness as determined by the investment officer. These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:

- Audited financial statements.
- Proof of National Association of Securities Dealers (NASD) certification.
- Proof of state registration.
- Completed broker/dealer questionnaire.

- Certification of having read and understood and agreeing to comply with the City of Harrisonville's investment policy.

An annual review of the financial condition and registration of qualified financial institutions and broker/dealers will be conducted by the investment officer.

B. Internal Controls

The investment officer/internal auditor/director of accounting is responsible for establishing and maintaining an internal control structure that will be reviewed annually with the City of Harrisonville's independent auditor. The internal control structure shall be designed to ensure that the assets of the City of Harrisonville are protected from loss, theft or misuse and to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits require estimates and judgements by management.

The internal controls shall address the following points:

- Control of collusion.
- Separation of transaction authority from accounting and record keeping.
- Custodial safekeeping.
- Avoidance of physical delivery securities.
- Clear delegation of authority to subordinate staff members.
- Written confirmation of transactions for investment and wire transfers.
- Development of a wire transfer agreement with the lead bank and third party custodian.

C. Delivery vs. Payment

All trades where applicable will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in eligible financial institutions prior to the release of funds. All securities shall be perfected in the name or for the account of the City of Harrisonville and shall be held by a third-party custodian as evidenced by safekeeping receipts.

V. Suitable and Authorized Investments

A. Investment types

In accordance with and subject to restrictions imposed by current statutes, the following list represents the entire range of investments that City of Harrisonville will consider and which shall be authorized for the investments of funds by the City of Harrisonville.

1. ***Governmental and Agency Debt – those securities issued by and or guaranteed by the Federal Government or an Agency or Instrumentality of the Federal Government:***

    a. **United States Treasury Securities**. The City of Harrisonville may invest in obligations of the United States government for which the full faith and credit of the United States are pledged for the payment of principal and interest.

    b. **United States Agency Securities**. The City of Harrisonville may invest in obligations issued or guaranteed by any agency of the United States Government as described in V (B).

2. ***Fixed Income Investments secured by the FDIC insurance and/or Collateral:***

    a. **Repurchase Agreements**. The City of Harrisonville may invest in contractual agreements between the City of Harrisonville and commercial banks or primary government securities dealers. The purchaser in a repurchase agreement (repo) enters into a contractual agreement to purchase U.S Treasury and government agency securities while simultaneously agreeing to resell the securities at predetermined dates and prices.

    b. **Collateralized Public Deposits (Certificates of Deposit).** Instruments issued by financial institutions which state that specified sums have been deposited for specific periods of time and at specified rates of interest. The certificates of deposit are required to be FDIC insured or backed by acceptable collateral securities as dictated by State statute if the deposit exceeds FDIC insurance.

3. ***Other Fixed Income Debt Issued by Commercial Enterprises***: It should be noted that investments in the following instruments require an additional level of care and prudence when undertaken by the Investment Officer. Because these investments are in commercial credits as opposed to governmental credit, or subject to the added safety of collateral, the risk of loss of principal is significantly higher for the following investments than in the four prior categories. Added financial training and education is recommended for the Investment Officer wishing to participate in and/or manage a commercial paper program. Outside professional management of your commercial paper program is highly recommended.

    a. **Bankers Acceptances**. Bills of exchange or time drafts on and accepted by a commercial bank, otherwise known as bankers' acceptances. An issuing bank must have received the highest letter and numeral ranking (i.e., A1 / P1) by at least two nationally recognized statistical rating organizations (NRSRO's). Must be issued by domestic commercial banks. Purchases of bankers' acceptances may not exceed 180 days to maturity. No more than 5% of the total market value of the portfolio may be invested in the bankers' acceptances of any one issuer and no more than 15% of the entire portfolio may be invested in banker's acceptances.

b. **Commercial Paper**. Commercial paper which has received the highest letter and numeral ranking (i.e., A1 / P1) by at least two nationally recognized statistical rating organizations (NRSRO's). Eligible paper is further limited to issuing corporations that have a total commercial paper program size in excess of $250,000,000 and have long term debt ratings, if any, of "A" or better from at least one NRSRO. Purchases of commercial paper may not exceed 180 days to maturity. Approved commercial paper programs should provide some diversification by industry. Additionally, purchases of commercial paper in the industry sectors that may from time to time be subject to undue risk and potential illiquidity should be avoided. The only asset-backed commercial paper programs that are eligible for purchase are fully supported programs that provide adequate diversification by asset type (trade receivables, credit card receivables, auto loans, etc.) No securities arbitrage programs or commercial paper issued by Structured Investment Vehicles (SIV's) shall be considered. No more than 5% of the total market value of the portfolio may be invested in the commercial paper of any one issuer. No more than 15% of the entire investment portfolio may be invested in Commercial Paper. Commercial paper issuers must be subject to weekly credit reviews and daily news research and analysis and a monitoring program must be established to promulgate best practices credit monitoring.

B. Security Selection

The following list represents the entire range of United States Agency Securities that the City of Harrisonville will consider and which shall be authorized for the investment of funds by the City of Harrisonville. Additionally, the following definitions and guidelines should be used in purchasing the instruments:

- U.S Govt. Agency Coupon and Zero Coupon Securities. Bullet coupon bonds with no embedded options with maturities of five (5) years or less.
- U.S Govt. Agency Discount Notes. Purchased at a discount with maximum maturities of one (1) year.
- U.S Govt. Agency Callable Securities. Restricted to securities callable at par only with final maturities of five (5) years or less.
- U.S Govt. Agency Step-up Securities. The coupon rate is fixed for an initial term. At coupon date, the coupon rate rises to a new higher fixed term. Restricted to securities with final maturities of five (5) years or less.

C. Investment Restrictions and Prohibited Transactions

To provide for the safety and liquidity of the City of Harrisonville funds, the investment portfolio will be subject to the following restrictions:

- Borrowing for investment purposes (“Leverage”) is prohibited.
- Instruments known as variable rate demand notes, floaters, inverse floaters, leveraged floaters, and equity-linked securities are not permitted. Investment in any instrument, which is commonly considered a “derivative” instrument (e.g. options, futures, swaps, caps, floors, and collars), is prohibited.
- Contracting to sell securities not yet acquired in order to purchase other securities for purpose of speculating on developments or trends in the market is prohibited.

D. Collateralization

Collateralization will be required on two types of investments: certificates of deposit and repurchase agreements. The market value (including accrued interest) of the collateral should be at least 102%.

For certificates of deposit, the market value of collateral must be at least 102% or greater of the amount of certificates of deposits plus demand deposits with the depository, less the amount, if any, which is insured by the Federal Deposit Insurance Corporation, or the National Credit Unions Share Insurance Fund.

All securities, which serve as collateral against the deposits of a depository institution, must be safekept at a non-affiliated custodial facility. Depository institutions pledging collateral against deposits must, in conjunction with the custodial agent, furnish the necessary custodial receipts within five business days of the settlement date.

The City of Harrisonville shall have a depository contract and pledge agreement with each safekeeping bank that will comply with the Financial Institutions, Reform, Recovery, and Enforcement Act of 1989 (FIRREA). This will ensure that the City of Harrisonville security interest in collateral pledged to secure deposits is enforceable against the receiver of a failed financial institution.

E. Repurchase Agreements

These securities for which repurchase agreements will be transacted will be limited to U.S Treasury and government agency securities that are eligible to be delivered via the Federal Reserve Fedwire book entry system. Securities will be delivered to the City of Harrisonville’s designated Custodial Agent. Funds and securities will be transferred on a delivery vs. payment basis.

VI. Investment Parameters

A. Diversification

The investments shall be diversified to minimize the risk of loss resulting from over concentration of assets in specific maturity, specific issuer, or specific class of securities. Diversification strategies shall be established and periodically reviewed. At a minimum, diversification standards by security type and issuer shall be:

- U.S treasuries and securities having principal and/or interest guaranteed by the U.S Government………………………………………………...100%
- Collateralized time and demand deposits…………………..…100%
- U.S Government agencies, and government sponsored enterprises…………………………………….…no more than 70%
- Collateralized repurchase agreements………no more than 50%
- U.S Government agency callable securities…….no more than 50%
- Other Fixed Income Debt Issued by Commercial Enterprises…no more than 25%
    - o Commercial Paper………………………………………..no more than 15%
    - o Bankers Acceptances…………………………………no more than 15%

B. Maximum Maturities

To the extent possible, the City of Harrisonville shall attempt to match its investments with anticipated cash flow requirements. Investments in repurchase agreements shall mature and become payable not more than ninety days (90) from the date of purchase. The City of Harrisonville shall adopt weighted average maturity limitations that should not exceed three (3) years and is consistent with the investment objectives.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as in bank deposits or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

VII. Reporting

A. Methods

The investment officer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner that will allow the City of Harrisonville to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the governing body of the City of Harrisonville. The report will include the following:

- Listing of individual securities held at the end of the reporting period.
- Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year duration (in accordance with Government Accounting Standards Board (GASB) 31 requirements). [Note, this is only required annually]
- Average weighted yield to maturity of portfolio and investments as compared to applicable benchmarks.
- Listing of investments by maturity date.
- Percentage of the total portfolio which each type of investment represents.

B. Performance Standards

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. A series of appropriate benchmarks may be established against which portfolio performance shall be compared on a regular basis.

C. Marking to Market

The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least annually to the governing body of the City of Harrisonville. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed.

VIII. Policy

Considerations

Exemption

Any investment currently held that does not meet the guidelines of this policy shall be exempt from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

IX. List of Attachments

The following documents, as applicable, are attached to this policy:

- Securities acceptable as collateral to secure deposits
- Listing of authorized personnel
- Relevant investment statutes and ordinances
- Repurchase agreements and tri-party agreements
- Listing of authorized broker/dealers and financial institutions
- Safekeeping agreements
- Wire transfer agreements
- Sample investment reports
- Glossary

CITY OF HARRISONVILLE
INVESTMENT POLICY
REVISED 1-16-12

1. Policy

It is the policy of the City of Harrisonville to invest public funds in a manner which will provide maximum security with the highest invest return, while meeting the daily cash flow demands of the city and conforming to all state and local statutes governing the investment of public funds. Funds will be invested in accordance with Missouri Revised Statute 30.270.

2. Scope

This investment policy applies to activities of the City with regard to investing the financial assets of all funds.

3. Objectives

The primary objectives, in priority order, of the city's investment activities shall be:

Safety: Safety of the principal is the foremost objective of the investment program. Investments of the city shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

Liquidity: The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.

Return on Investment:
The city's investment portfolio shall be designed with the objective of attaining a market rate of return throughout the budgetary and economic cycles, taking into account the city's investment risk constraints and the cash flow characteristics of the portfolio.

4. Delegation of Authority

The City Administrator is designated as investment officer of the City and is responsible for investment decisions and activities. The City Administrator shall establish and maintain a system of controls designed to prevent loss of public funds due to fraud, error, misrepresentation, unanticipated market changes, or imprudent actions. These controls will be reviewed annually by the independent auditor. The City Administrator may assign City Clerk or Deputy Clerk/Treasurer to perform such responsibilities as deemed appropriate.

5. Prudence

The standard of prudence to be applied by the investment officer shall be the "prudent investor" rule, which states, "Investments shall be made with judgement and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The prudent investor rule shall be applied in the context of managing the overall portfolio.

The investment officer, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific security's credit risk or market price changes, provided that these deviations are reported immediately and that appropriate action is taken to control adverse developments.

6. **Portfolio Diversification**

The City will diversify use of investment instruments to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities. Investments will be limited to the instruments listed below, unless approved by the Board of Alderman.

Diversification of Instrument	Maximum Percent of Portfolio
U.S. Treasury Obligations	100 %
U.S. Government Agency Securities	100 %
Certificates of Deposit (CD's) Commercial Banks	50 %
Certificates of Deposit (CD's) Savings and Loan Associations	50 %
Repurchase Agreements (Repo's)	30 %

Diversification by Financial Institution:

Certificates of Deposit (CD's) – Commercial Banks
No more than 33% of the total portfolio with any one institution

Certificates of Deposit (CD's) – Savings and Loan Associations
Amount per institution based on capital adequacy guidelines in any case not to Exceed 33 % of the total portfolio with any one institution.

Repurchase Agreements (Repo's)
No more than 50 % of the total portfolio with any one institution; master Repurchase agreement required.

7. **Maturity Scheduling**

Investment maturities shall be scheduled to coincide with projected cash flow needs, taking into account large routine expenditures (payroll, bond payments) as well as considering sizeable blocks of anticipated revenue (property tax turnover, franchise fees, sales tax payments).

At no time shall the City invest funds with a maturity date of over five years without the prior approval of the Board of Alderman.

8. **Authorized Financial Dealers and Institutions**

Financial institutions shall be restricted to banks or savings and loans associations which are members of the Federal Deposit Insurance Corporation. No public deposit shall be made except in a qualified public depository in the United States.

A current audited financial statement is required to be on file with the City for each financial institution in which the city invests. Banks shall provide their most recent consolidated Report of Condition ("call" report) at the request of the City.

9. Safekeeping and Collateralization

All investment securities purchased by the City shall be held in safekeeping by a bank designated as primary agent. Purchase and sale of all securities will be on a payment versus delivery basis. The primary agent shall issue a safekeeping receipt to the City listing the specific instrument, rate, maturity, and other pertinent information. The overnight repurchase agreement used in conjunction with the City's demand deposit account shall not be subject to these safekeeping requirements.

10. Reporting Requirements

The investment officer shall generate monthly reports for management purposes. The Mayor and Board of Alderman will be provided quarterly reports which will include data on investment instruments being held, as well as any narrative necessary for clarification.

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Happy Welch, City Administrator**

DATE: **June 28, 2017**

SUBJECT: **Conflict of Interest Ordinance**

Type of Item: *Approval*

This bill concerns a routine matter that is taken up by the Board of Aldermen on a biennial basis.

The current Conflict of Interest Ordinance, Ordinance 3324, was adopted in 2015 and will expire this year. If the Board wishes to keep this policy in effect, a new ordinance must be adopted at an open meeting prior to September 15th and a certified copy sent to the Missouri Ethics Commission within 10 days of its adoption.

If the ordinance is not re-adopted, all elected, appointed and decision making personnel, as well as candidates for public office, are required to file a Personal Financial Disclousre statement each year.

There has been no change to the language of this ordinance.

Council Bill No. 054

Ordinance No.

An Ordinance to Repeal Ordinance 3324 and to enact in Lieu Thereof a New Ordinance Regarding an Established Procedure to Disclose Potential Conflicts of Interest and Substantial Interests for Certain Officials and to amend the Time in Which Candidates for Office are Required to file Disclosure Statements with the City Clerk.

WHEREAS, the City of Harrisonville believes that the proper operation of government requires that the public officials and employees be independent, impartial and responsible to the people; that governmental decisions and policy be made in the proper channels of the governmental structure; that public office not be used for personal gain; and that the public have confidence in the integrity of its government; and

WHEREAS, the City of Harrisonville believes a procedure for disclosure by certain officials and employees of private financial or other interests in matters affecting the city should be established to meet those goals;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI, AS FOLLOWS:

<u>Section 1:</u> That Ordinance 3324, approved by the Board of Aldermen August 3, 2015, regarding an established procedure to disclose potential conflicts of interest and substantial interests for certain officials be and hereby is repealed and the following enacted in lieu thereof to amend the time in which candidates for office are required to file disclosure statements with the City Clerk.

1. <u>Conflicts of Interest.</u>

   a. All elected and appointed officials of the City must comply with the applicable provisions of §§105.450-105.496 of the Revised Statutes of Missouri on conflicts of interest and financial disclosure, as well as any other state law governing official conduct, subject to the provisions of this ordinance.

   b. The Mayor, any member of the Board of Aldermen, and any member of a Board or Commission who has a "substantial or private interest" in any measure, bill, order or ordinance proposed or pending before such body must disclose that interest to the secretary or clerk of such body and such disclosure shall be recorded in the appropriate journal of the governing body. Substantial or private interest is defined as ownership by the individual, his spouse, or his dependent children, whether singularly or collectively, directly or indirectly, of: (1) 10% or more of any business entity; or (2) an interest having a value of $10,000 or more; or (3) the receipt of salary, gratuity, or other compensation or remuneration of $5,000 or more, per year from any individual, partnership, organization, or association within any calendar year.

2. <u>Disclosure Reports.</u> The Mayor, each Alderman, the City Administrator, and Finance Director shall disclose the following information by May 1 if any such transactions occurred during the previous calendar year:

a. For such person, and all persons within the first degree of consanguinity or affinity of such person, the date and the identities of the parties to each transaction with a total value in excess of five hundred dollars, if any, that such person had with the City, other compensation received as an employee or payment of any tax, fee or penalty due to the City, and other transfers for no consideration to the City.

b. The date and the identities of the parties to each transaction known to the person with a total value in excess of five hundred dollars, if any, that any business entity in which such person had a substantial or private interest, with the City, other than payment of any tax, fee or penalty due to the City or transactions involving payment for providing utility service to the City, and other than transfers for no consideration to the City.

c. The Mayor, each Alderman, City Administrator, and Finance Director also shall disclose by May 1 for the previous calendar year the following information:

(1) The name and address of each of the employers of such person from whom income of one thousand dollars or more was received during the year covered by the statement;

(2) The name and address of each sole proprietorship that he owned; the name, address and the general nature of the business conducted of each general partnership and joint venture in which he was a partner or participant; the name and address of each partner or co-participant for each partnership or joint venture unless such names and addresses are filed by the partnership or joint venture with the Secretary of State; the name, address and general nature of the business conducted of any closely held corporation or limited partnership in which the person owned ten percent or more of any class of the outstanding stock or limited partnership units; and the name of any publicly traded corporation or limited partnership that is listed on a regulated stock exchange or automated quotation system in which the person owned two percent or more of any class of outstanding stock, limited partnership units or other equity interests;

(3) The name and address of each corporation for which such person served in the capacity of a director, officer or receiver.

3. <u>Filing of Reports.</u>

a. The financial interest statements shall be filed at the following times, but no person is required to file more than one financial interest statement in any calendar year:

1) Every person required to file a financial interest statement shall file the statement annually not later than May 1 and the statement shall cover the preceding calendar year ending December 31; provided that any member of the Board of Aldermen may supplement the

financial interest statement to report additional interests acquired after December 31 of the covered year until the date of filing of the financial interest statement.

2) Each person appointed to office shall file the statement within thirty days of such appointment or employment

b. Financial disclosure reports giving the financial information required in Paragraph 3 shall be filed with the City Clerk and with the Secretary of State prior to January 1, of each year. After January 1, reports shall be filed with the City Clerk and the Missouri Ethics Commission. The reports shall be available for public inspection and copying during normal business hours.

c. The financial disclosure reports required of the Mayor and Aldermen shall be required of any candidate for such office no later than 14 days after the close of filing. Reports filed by candidates for office shall be filed with the Missouri Ethics Commission and the City Clerk, and shall be available for public inspection and copying during normal business hours.

Section 2: Filing of Ordinance. A certified copy of this Ordinance adopted on this date shall be sent within ten days of its adoption to the Secretary of State's office.

Section 3: Effective Date. This ordinance shall be in full force and effect from and after the date of its passage and approval.

Vote taken as follows:

Ayes:

Nays:

Absent:

Abstain:

Read two times by title only on July 17, 2017, and passed by the Board of Aldermen of the City of Harrisonville, Missouri, and approved by the Mayor this 17th day of July 2017

____

Brian Hasek, Mayor and Ex-Officio

Chairman of the Board of Aldermen

ATTEST:

____

Randall K. Jones, City Clerk

APPROVED by the Mayor this 17th day of July 2017

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Happy Welch, City Administrator**

DATE: **July 10, 2017**

SUBJECT: **July Building Amendments Rvsd**

Type of Item: *Approval*

The building official has recommended changes to the Municipal Ordinances that relate to the building code that will bring all codes more in line with the life safety aspects of the building code. These are prior amendments that need to removed or amended. The Community Development Committee reviewed and approved the changes.

Council Bill No. 055

Ordinance No.

AN ORDINANCE REPEALING CERTAIN SECTIONS OF SECTION 500 BUILDING AND PROPERTY MAINTENANCE CODES, SECTION 505 BUILDING REGULATIONS AND CHAPTER 700 UTILITIES OF THE HARRISONVILLE CODE OF ORDINANCES, ENACTING NEW SECTIONS 500.020 A.5. AND 700.210 C., AND ESTABLISHING AN EFFECTIVE DATE.

AN ORDINANCE REPEALING CERTAIN SECTIONS OF SECTION 500 BUILDING AND PROPERTY MAINTENANCE CODES, SECTION 505 BUILDING REGULATIONS AND CHAPTER 700 UTILITIES OF THE HARRISONVILLE CODE OF ORDINANCES, ENACTING NEW SECTIONS 500.020 A.5. AND 700.210 C., AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City wishes to repeal certain sections of the Harrisonville Code of Ordinances and enact new sections as they pertain to the 2012 International Building Code, of the City of Harrisonville, Missouri;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI, AS FOLLOWS:

Section 1: The Board of Alderman (“Board”) hereby repeals certain sections of Section 500.020 A., Amendments of Chapter 500: Building and Property Maintenance Codes, to wit:

Sections 500.020 A.7. and 500.020 A.9. are repealed.

Section 2: The Board hereby repeals Section 500.020 A.5. of Chapter 500: Building and Property Maintenance Codes and enacts in lieu thereof the following new Section 500.020 A.5. to read as follows:

Section 500.020 A.5. Temporary Certificates of Occupancy

111.3.1 The cost for a second (2^{nd}) Temporary certificate of Occupancy (TCO) and any TCO thereafter shall be $500.00 each.

Section 3: The Board hereby repeals Section 505.040 Duties of Building Owners, of Chapter 505: Building Regulations.

Section 4: The Board hereby repeals Section 700.210 C. Location of Water Meters - Maintenance of Water Service Lines, of Article I of Chapter 700: Utilities and enacts in lieu thereof a new Section 700.210 C. to read as follows:

For new water service connections, the material shall be Type K copper between the main and the meter.

Section 5: That this ordinance shall become effective immediately upon passage and approval for the City of Harrisonville.

Section 6: Severability: If any section, subsection, sentence, clause, phrase, or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

VOTE TAKEN AS FOLLOWS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

READ TWO TIMES BY TITLE ONLY ON JULY 17, 2017 AND PASSED BY THE BOARD OF ALDERMEN THIS 17th DAY OF JULY 2017.

Brian Hasek, Mayor and Ex-Officio
Chairman of the Board of Aldermen

ATTEST:

Randall K. Jones, City Clerk

APPROVED by the Mayor this 17th day of July 2017

Changes to Municipal Code that pertain to construction – recommended by the Community Development Committee

1. Remove Section 505.040. It is not defined as to what's required and the building code has specifications when to require Fire Warning Systems. This section was adopted in 1977 and amended in 1982. Building Official and Fire Chief are in agreement with this item.

2. Amend Section 500.020 (5) Temporary Certificate of Occupancy. The amount required to post escrow can be excessive and this should be brought into line with what's in the building code. We will include the first TCO as part of the building permit fee, but a second TCO would cost $500.00. Not completing items (outside of landscaping when it's winter time, for example) would cause the structure to be red tagged and not occupied. Recommended by Building Official.

3. Remove Section 500.020 (7) This revision increases allowances not allowed by the building code and conflict with the safety aspects of the code. Building Official and Fire Chief are in agreement on this item.

4. Remove Section 500.020 (9) This does not follow the adopted code and amending could cause problems in the future if there is a problem. Building Official and Fire Chief are in agreement on this item.

5. Amend Section 700.210 (C) There is no need to require 15 feet of copper water line. The electric ground is required to be in the footing with a connection to the meter panel and a ground rod can be used as a secondary. The water line is not considered the primary electrode conductor any more by the electrical code. Recommended by Building Official.

Changes to Municipal Ordinances as they pertain to building and construction

1.

Section 505.040 Duties of Building Owners.

~~It shall be the duty of every owner of every occupied building to provide and maintain an approved operable fire warning system.~~

2.

Section 500.020 (5) Temporary Certificates of Occupancy.

~~The following new subsections (Section 111.4.1 through Section 111.4.5) shall be added as follows:~~

~~**111.4.1. Temporary certificate of occupancy (TCO).** A request for a TCO shall be made in writing to the Building Official. Such request shall include the address and permit number of the building and a list of the deficiencies for which additional time is needed to complete. The request shall be signed and dated by the permit holder. The Building Official shall act upon a request for a TCO by either approving or denying said request in writing.~~

~~**111.4.2. Assurance of completion.** A letter from a lending institution stating that a monetary sum in the amount necessary to complete deficiencies is being held in escrow shall be submitted to the Building Official. Said letter shall include a list of deficiencies for which monies have been escrowed. In lieu of a letter from a lending institution, a cash amount as determined by the Building Official may be deposited with the City. The amount of required deposits shall be determined by the Building Official on an annual basis. Separate deposit amounts shall be determined for linear feet of sidewalks, square footage of driveways and parking lots, landscaping and a lump sum amount for miscellaneous items. The required deposit amounts shall be posted in the Community Development Department office. Deposits shall be refunded when all deficiencies have been satisfied. The City, at its discretion, may, upon expiration of a temporary certificate of occupancy, use deposited monies to complete any deficiencies.~~

~~**111.4.3. Length of temporary certificate of occupancy (TCO) validity.** TCOs shall be valid for thirty (30) days. TCOs may be extended for up to an additional ninety (90) days for sidewalks, driveways, parking lots and landscaping (including seeding or sodding) when it is determined by the Building Official that weather conditions are such that additional time is warranted. Requests for additional time shall be made in writing to the Building Official prior to the expiration of the thirty-day TCO.~~

~~**111.4.4. Violation.** Failure to complete deficiencies or request and receive an extension due to weather conditions before the expiration of a TCO shall be considered a violation of this section.~~

~~**111.4.5. Penalty.** Any person who violates any provision of this Section, upon conviction, shall be punished by a fine of not less than five dollars ($5.00) nor more than five hundred dollars ($500.00); each day's violation thereof shall be considered a separate offense for the purpose hereof.~~

Insert in ICC subsection 111.3.1 the following valuation:

The cost for a second (2^{nd}) Temporary certificate of occupancy (TCO) and any TCO thereafter shall be $500.00 each.

3.
Section 500.020 (7)
~~In IBC Section 903.2.1.2, Group A-2, amend Item Number 2 by adding an exception as follows: "Exception: Where approved by the Building Official, tenant spaces of less than five thousand (5,000) square feet in existing multi-tenant buildings may increase occupant load to three hundred (300)."~~

4.
Section 500.020 (9)
~~In IBC Section 903.2.1.2, Group A-2, add an exception under Item 2 as follows: "Exception: The occupant load may be increased to 300 if the use is a restaurant that is well lit, does not have excessive noise, and would not be considered a nightclub, tavern, bar or casino."~~

5.
Section 700.210 (C) Location of Water Meters – Maintenance of Water Service Lines.
For new water service connections, the material shall be Type K copper between the main and the meter. ~~The material between the meter and a point fifteen (15) feet from the structure can be any material allowed by the Code. The material from a point fifteen (15) feet from the structure into the structure shall be Type K copper~~.

1612.5 shall be submitted to the *building official* prior to the final inspection.

[A] 110.4 Inspection agencies. The *building official* is authorized to accept reports of *approved* inspection agencies, provided such agencies satisfy the requirements as to qualifications and reliability.

[A] 110.5 Inspection requests. It shall be the duty of the holder of the building *permit* or their duly authorized agent to notify the *building official* when work is ready for inspection. It shall be the duty of the *permit* holder to provide access to and means for inspections of such work that are required by this code.

[A] 110.6 Approval required. Work shall not be done beyond the point indicated in each successive inspection without first obtaining the approval of the *building official*. The *building official*, upon notification, shall make the requested inspections and shall either indicate the portion of the construction that is satisfactory as completed, or notify the *permit* holder or his or her agent wherein the same fails to comply with this code. Any portions that do not comply shall be corrected and such portion shall not be covered or concealed until authorized by the *building official*.

SECTION 111
CERTIFICATE OF OCCUPANCY

[A] 111.1 Use and occupancy. No building or structure shall be used or occupied, and no change in the existing occupancy classification of a building or structure or portion thereof shall be made, until the *building official* has issued a certificate of occupancy therefor as provided herein. Issuance of a certificate of occupancy shall not be construed as an approval of a violation of the provisions of this code or of other ordinances of the jurisdiction.

Exception: Certificates of occupancy are not required for work exempt from *permits* under Section 105.2.

[A] 111.2 Certificate issued. After the *building official* inspects the building or structure and finds no violations of the provisions of this code or other laws that are enforced by the department of building safety, the *building official* shall issue a certificate of occupancy that contains the following:

1. The building *permit* number.
2. The address of the structure.
3. The name and address of the owner.
4. A description of that portion of the structure for which the certificate is issued.
5. A statement that the described portion of the structure has been inspected for compliance with the requirements of this code for the occupancy and division of occupancy and the use for which the proposed occupancy is classified.
6. The name of the *building official*.
7. The edition of the code under which the *permit* was issued.
8. The use and occupancy, in accordance with the p sions of Chapter 3.
9. The type of construction as defined in Chapter 6.
10. The design *occupant load*.
11. If an *automatic sprinkler system* is provided, wh the sprinkler system is required.
12. Any special stipulations and conditions of the b ing *permit*.

[A] 111.3 Temporary occupancy. The *building offic* authorized to issue a temporary certificate of occup before the completion of the entire work covered by the *mit*, provided that such portion or portions shall be occu safely. The *building official* shall set a time period d which the temporary certificate of occupancy is valid.

[A] 111.4 Revocation. The *building official* is authorize in writing, suspend or revoke a certificate of occupan completion issued under the provisions of this code whe the certificate is issued in error, or on the basis of inco information supplied, or where it is determined that the b ing or structure or portion thereof is in violation of any nance or regulation or any of the provisions of this code.

SECTION 112
SERVICE UTILITIES

[A] 112.1 Connection of service utilities. No person make connections from a utility, source of energy, fu power to any building or system that is regulated by this for which a *permit* is required, until released by the *bui official*.

[A] 112.2 Temporary connection. The *building official* have the authority to authorize the temporary connecti the building or system to the utility source of energy, fu power.

[A] 112.3 Authority to disconnect service utilities. *building official* shall have the authority to authorize di nection of utility service to the building, structure or sy regulated by this code and the referenced codes and stan set forth in Section 101.4 in case of emergency where n sary to eliminate an immediate hazard to life or prope when such utility connection has been made withou approval required by Section 112.1 or 112.2. The *bui official* shall notify the serving utility, and wherever po the owner and occupant of the building, structure or se system of the decision to disconnect prior to taking action. If not notified prior to disconnecting, the own occupant of the building, structure or service system sh notified in writing, as soon as practical thereafter.

SECTION 113
BOARD OF APPEALS

[A] 113.1 General. In order to hear and decide appe orders, decisions or determinations made by the *buildin cial* relative to the application and interpretation of this there shall be and is hereby created a board of appeals. The board of appeals shall be appointed by the applicable govern-

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Happy Welch, City Administrator**

DATE: **July 10, 2017**

SUBJECT: **City Admin Rpt July**

Type of Item: *Report*

CITY ADMINISTRATOR REPORT

July 17, 2017

1. A new musical instrument business is going in the old Dollar General store off Highway 291 and should be open this week after an occupancy inspection. The store is moving from Butler, MO to here.

2. I will be at a Missouri Main Street Connection conference Wednesday and Thursday, July 26 & 27 to attend presentations on economic development in historic downtown areas.

3. We have a couple of bid openings this month that will be coming to the Board for approval in August: Our trash collection service and bids for a new roof on city hall.

4. We will start work on the budget Wednesday July 19, meeting with department heads separately for the next 3 weeks to look line by line at each budget and determine what capital items are being requested. Please hand in your questionnaire as soon as you can.

A. Action Item (ID # 2570)

City Admin Rpt July