City of Harrisonville est. 1836

AGENDA
CITY OF HARRISONVILLE
BOARD OF ALDERMEN
REGULAR MEETING
COMMUNITY CENTER
OCTOBER 19, 2020
6:00 PM
LOCATION CHANGE FOR COVID-19 SOCIAL DISTANCING

1. Call to Order

A. Pledge of Allegiance

B. Roll Call

2. Ceremonial Matters

A. Recognition of Service for Judge Kevin Anderson and Prosecutor Joe Cambiano

3. Public Participation

4. Approval of Minutes

A. Board of Aldermen - Regular Meeting - Oct 5, 2020 6:00 PM

B. Executive Session Minutes October 5, 2020

5. Agenda Items

A. Council Bill 66: A RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI, TO APPOINT DON LOGRASSO AS MUNICIPAL JUDGE FOR THE HARRISONVILLE MUNICIPAL COURT IN THE 17TH JUDICIAL CIRCUIT COURT.

B. Introduction of New Municipal Prosecutor

C. Council Bill 67: AN ORDINANCE OF THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI, TO APPOINT DANIEL BARNETT AS CITY CLERK FOR THE CITY OF HARRISONVILLE, MISSOURI.

D. Council Bill 68: AN ORDINANCE OF THE HARRISONVILLE BOARD OF ALDERMEN AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO A MUNICIPAL AGREEMENT WITH THE MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION AND ESTABLISHING AN EFFECTIVE DATE.

E. **Council Bill 69: AN ORDINANCE OF THE HARRISONVILLE BOARD OF ALDERMEN TO AUTHORIZE THE MAYOR TO EXECUTE A CONTRACT BETWEEN THE CITY OF HARRISONVILLE, MISSOURI AND THE MISSOURI HIGHWAY AND TRANSPORTATION COMMISSION PROVIDING FOR AN INTERSECTION STUDY AT LOCUST STREET AND COMMERCIAL STREET IN THE CITY OF HARRISONVILLE.**

F. **Council Bill 70: AN ORDINANCE OF THE HARRISONVILLE BOARD OF ALDERMEN TO AUTHORIZE THE MAYOR TO EXECUTE A CONTRACT BETWEEN THE CITY OF HARRISONVILLE, MISSOURI AND THE MISSOURI HIGHWAY AND TRANSPORTATION COMMISSION PROVIDING FOR PEDESTRIAN AND TRAFFIC CONGESTION STUDY AT MATT STREET AND MEGHAN STREET IN THE CITY OF HARRISONVILLE.**

G. **Council Bill 71: AN ORDINANCE OF THE HARRISONVILLE BOARD OF ALDERMEN AUTHORIZING THE CITY OF HARRISONVILLE, MISSOURI, REFUNDING AND IMPROVEMENT CERTIFICATES OF PARTICIPATION, SERIES 2020 AND AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION WITH THE DELIVERY OF THE CERTIFICATES.**

6. **Aldermen and Committee Reports**

7. **Report from the City Administrator**

   A. **September 2020 Municipal Court Report**

8. **Questions from the Media**

9. **Adjourn from Regular Session**

Posted on City Hall Bulletin Board this 16th day of October, 2020.

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Randall K. Jones, City Clerk

Public participation during regular meetings of the Board of Aldermen shall be limited to those who have submitted a completed agenda request form. 2 Each person wishing to address the Board during regular meetings of the Board of Aldermen on a topic not on the agenda shall submit a completed agenda request form five (5) business days prior to the meeting the person wishes to address the Board. If the agenda request concerns a complex issue requiring staff research time, the opportunity to address the Board may be moved to a future meeting instead of the meeting immediately following the submission of the agenda request form. 3. Those that have submitted a completed agenda request form shall be limited to three (3) minutes to address the Board, this time cannot be yielded to another person and this time may be extended in three (3) minutes increments only upon a majority vote of the members of the Board of Aldermen, with each additional three (3) minute increment requiring an additional majority vote of the members of the Board of Aldermen.

DRAFT

MINUTES
CITY OF HARRISONVILLE
BOARD OF ALDERMEN
REGULAR MEETING
CITY HALL
OCTOBER 5, 2020
6:00 PM

1. Call to Order

The meeting was called to order at 6:00 PM by Mayor Judy Bowman

A. Pledge of Allegiance

Attendee Name	Organization	Title	Status	Arrived
Mike Zaring	Harrisonville	Board Member	Present	
Dave Doerhoff	Harrisonville	Board Member	Present	
Marcia Milner	Harrisonville	Board Member	Present	
Judy Reece	Harrisonville	Board Member	Present	
Clint Miller	Harrisonville	Board Member	Present	
David Dickerson	Harrisonville	Board Member	Present	
Gary Davidson	Harrisonville	Board Member	Present	
Matt Turner	Harrisonville	Board Member	Present	
Judy Bowman	Harrisonville	Mayor	Present	

Others present were: City Attorney Steve Mauer, City Administrator Brad Ratliff, Police Chief John Hofer, HES Chief Eric Myler, Building Inspector Chris Arthur, Street Superintendent Rodney Jacobs, Director of Administrative Services Jeremy Smith, Public Works Director Carl Brooks, Electric Superintendent Andy Pollard, Community & Economic Development Director Jim Clarke, City Planner Roger Kroh, Public Information Officer/Deputy City Clerk Daniel Barnett and City Clerk Randall Jones, Recording.

2. Ceremonial Matters

A. Public Power Week Proclamation

Mayor Bowman shared a proclamation declaring the week of October 4 - 10, 2020 as Public Power Week for the City of Harrisonville and read a letter of commendation from the American Public Power Association in recognition of the Electric Department's mutual aid assistance to the City of Alexandria, Louisiana. Those receiving the proclamation were: Electric Superintendent Andy Pollard and Electric Department Linemen Brent Stockstill, Dennis Branstetter and Chase Lewis.

B. Fire Prevention Week Proclamation

Mayor Bowman shared a proclamation declaring October 4 - 10, 2020 as Fire Prevention Week in the City of Harrisonville. HES Chief Eric Myler received the proclamation.

Mayor Bowman shared that she had received a call from Presiding Commissioner Bob Huston complimenting Chief Myler and the EMS department for their response to a recent incident at the Courthouse.

3. Public Participation

None.

4. Approval of Minutes

A. Board of Aldermen - Regular Meeting - Sep 21, 2020 6:00 PM

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Marcia Milner, Board Member
SECONDER:	Judy Reece, Board Member
AYES:	Zaring, Doerhoff, Milner, Reece, Miller, Dickerson, Davidson, Turner

B. Board of Aldermen - Work Session - Sep 21, 2020 6:30 PM

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Mike Zaring, Board Member
SECONDER:	Dave Doerhoff, Board Member
AYES:	Zaring, Doerhoff, Milner, Reece, Miller, Dickerson, Davidson, Turner

5. Agenda Items

A. A RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI APPROVING THE APPOINTMENT OF GINA SMITH TO THE TIF COMMISSION.

Roll call vote: Alderman Zaring aye, Alderman Doerhoff aye, Alderman Milner aye, Alderman Reece recused, Alderman Miller aye, Alderman Dickerson aye, Alderman Davidson aye, Alderman Turner aye. Upon passage, Mayor Bowman designated it to be Resolution #2020-028.

RESULT:	**ADOPTED [7 TO 0]**
MOVER:	Marcia Milner, Board Member
SECONDER:	Matt Turner, Board Member
AYES:	Zaring, Doerhoff, Milner, Miller, Dickerson, Davidson, Turner
RECUSED:	Judy Reece

B. A RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI APPROVING THE APPOINTMENT OF DEBBIE WOOD TO THE TIF COMMISSION.

Roll call vote: Alderman Zaring aye, Alderman Doerhoff aye, Alderman Milner aye, Alderman Reece aye, Alderman Miller aye, Alderman Dickerson aye, Alderman Davidson *aye, Alderman Turner aye. Upon passage, Mayor Bowman designated it to be Resolution #2020-029.*

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Dave Doerhoff, Board Member
SECONDER:	Gary Davidson, Board Member
AYES:	Zaring, Doerhoff, Milner, Reece, Miller, Dickerson, Davidson, Turner

C. A RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI APPROVING THE APPOINTMENT OF KEVIN WOOD TO THE TIF COMMISSION.

Roll call vote: Alderman Zaring aye, Alderman Doerhoff aye, Alderman Milner aye, Alderman Reece aye Miller nay, Alderman Dickerson aye, Alderman Davidson aye, Alderman Turner aye. Upon passage, Mayor Bowman designated it to be Resolution #2020-030.

RESULT:	**ADOPTED [7 TO 1]**
MOVER:	Mike Zaring, Board Member
SECONDER:	Judy Reece, Board Member
AYES:	Zaring, Doerhoff, Milner, Reece, Dickerson, Davidson, Turner
NAYS:	Clint Miller

D. A RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI APPROVING THE APPOINTMENT OF WILLIAM MILLS TO THE BOARD OF ZONING ADJUSTMENT.

Roll call vote: Alderman Zaring aye, Alderman Doerhoff aye, Alderman Milner aye, Alderman Reece aye, Alderman Miller aye, Alderman Dickerson aye, Alderman Davidson aye, Alderman Turner aye. Upon passage, Mayor Bowman designated it to be Resolution #2020-031.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Gary Davidson, Board Member
SECONDER:	Clint Miller, Board Member
AYES:	Zaring, Doerhoff, Milner, Reece, Miller, Dickerson, Davidson, Turner

E. A RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI AUTHORIZING THE MAYOR TO APPOINT A MEMBER TO THE BOARD OF DIRECTORS OF THE TOWNE CENTER TRANSPORTATION DEVELOPMENT DISTRICT TO REPLACE ALDERMAN DAVID DICKERSON AND FILL THE SEAT VACATED BY CLINT LONG

Roll call vote: Alderman Zaring aye, Alderman Doerhoff recused, Alderman Milner aye, Alderman Reece aye, Alderman Miller aye, Alderman Dickerson nay, Alderman Davidson aye, Alderman Turner aye. Upon passage, Mayor Bowman designated it to be Resolution #2020-032.

RESULT:	**ADOPTED [6 TO 1]**
MOVER:	Marcia Milner, Board Member
SECONDER:	Mike Zaring, Board Member
AYES:	Zaring, Milner, Reece, Miller, Davidson, Turner

NAYS:	David Dickerson
RECUSED:	Dave Doerhoff

F. AN ORDINANCE OF THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE TO AMEND SECTION 397.010 OF THE HARRISONVILLE MUNICIPAL CODE, AND ESTABLISHING AN EFFECTIVE DATE.

Staff report presented by City Administrator Brad Ratliff. First reading of Council Bill #58. A motion was made by Alderman Turner with a second by Alderman Milner to move Council Bill #58 to its second reading. Roll call vote: Roll call vote: Alderman Zaring aye, Alderman Doerhoff aye, Alderman Milner aye, Alderman Reece aye, Alderman Miller aye, Alderman Dickerson aye, Alderman Davidson aye, Alderman Turner aye. Having been read by title only twice roll call vote for passage: Roll call vote: Alderman Zaring aye, Alderman Doerhoff aye, Alderman Milner aye, Alderman Reece aye, Alderman Miller aye, Alderman Dickerson aye, Alderman Davidson aye, Alderman Turner aye. Upon passage, Mayor Bowman designated it to be Ordinance #3511.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Matt Turner, Board Member
SECONDER:	Marcia Milner, Board Member
AYES:	Zaring, Doerhoff, Milner, Reece, Miller, Dickerson, Davidson, Turner

G. Halloween Night on Pearl Street II

Staff report presented by Police Chief John Hofer. Vanessa Hargrave addressed the Mayor and Board and asked that the insurance requirement be waived. Alderman Davidson asked her what application form she had used and Mrs. Hargrave replied the special event permit. Alderman Turner stated that the block party permit does not require insurance. Mayor Bowman asked Mrs. Hargrave if she could have volunteers at each of the 15 roadblocks suggested by Chief Hofer. Alderman Dickerson asked if a block party doesn't need insurance and City Attorney Steve Mauer said that is correct. Mr. Mauer said the board could treat this as a block party and direct the Chief of Police to block off streets for a specified time. Alderman Doerhoff asked if the Farmer's Market was required insurance and the answer was yes, because it is an event. Mayor Bowman asked Police Chief Hofer his opinion and he replied that he thought it was a good thing and would do what the board wishes. Alderman Davidson asked if the VIPS could assist in manning roadblocks and Chief Hofer said he would ask. Alderman Turner made a motion to direct Chief Hofer to block the streets as requested and that Mrs. Hargrave provide volunteers to assist with roadblocks. Alderman Milner made second. Roll call vote: Alderman Zaring aye, Alderman Doerhoff aye, Alderman Reece aye, Alderman Turner aye, Alderman Miller aye, Alderman Milner aye, Alderman Davidson aye, Alderman Dickerson aye. Motion carried. Mayor Bowman advised Mrs. Hargrave that next year she will need to follow the recently enacted ordinance pertaining to block parties.

H. A RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE AUTHORIZING CITY ADMINISTRATOR TO UPDATE AUTHORIZED BANKING SIGNATURES AT COMMUNITY BANK AND COMMERCE BANK, AND ESTABLISHING AN EFFECTIVE DATE.

Staff report presented by City Administrator Brad Ratliff. Roll call vote: Alderman Zaring aye, Alderman Doerhoff aye, Alderman Milner aye, Alderman Reece aye, Alderman Miller aye, Alderman Dickerson aye, Alderman Davidson aye, Alderman Turner aye. Upon passage, Mayor Bowman designated it to be Resolution #2020-033.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Dave Doerhoff, Board Member
SECONDER:	Matt Turner, Board Member
AYES:	Zaring, Doerhoff, Milner, Reece, Miller, Dickerson, Davidson, Turner

I. A RESOLUTION BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI, AUTHORIZING AND DIRECTING THE CITY ADMINISTRATOR TO ENTER INTO AN AGREEMENT WITH LAUBER MUNICIPAL LAW LLC TO CONTRACT AS SPECIAL COUNSEL FOR ECONOMIC DEVELOPMENT MATTERS AND AS SPECIAL COUNSEL FOR GENERAL MUNICIPAL MATTERS, WHEN REQUESTED, AND ESTABLISHING AN EFFECTIVE DATE.

Staff report presented by City Administrator Brad Ratliff. Mayor Bowman said that they had recently met with Mr. Lauber and City Attorney Steve Mauer. Roll call vote: Alderman Zaring aye, Alderman Doerhoff aye, Alderman Milner aye, Alderman Reece aye, Alderman Miller aye, Alderman Dickerson aye, Alderman Davidson aye, Alderman Turner aye. Upon passage, Mayor bowman designated it to be Resolution #2020-034.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Gary Davidson, Board Member
SECONDER:	Dave Doerhoff, Board Member
AYES:	Zaring, Doerhoff, Milner, Reece, Miller, Dickerson, Davidson, Turner

J. A RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO FIRST AMENDMENT TO DEVELOPMENT AGREEMENT WITH HARRISONVILLE VILLAS, LP AND ESTABLISHING AN EFFECTIVE DATE.

Staff report presented by City Attorney Steve Mauer. Alderman Milner asked if the Letter of Credit was guaranteed and City Attorney Mayer stated yes. Roll call vote: Alderman Zaring aye, Alderman Doerhoff aye, Alderman Milner aye, Alderman Reece aye, Alderman Miller aye, Alderman Dickerson aye, Alderman Davidson aye, Alderman Turner aye. Upon passage, Mayor Bowman designated it to be Resolution #2020-035.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Gary Davidson, Board Member
SECONDER:	Marcia Milner, Board Member
AYES:	Zaring, Doerhoff, Milner, Reece, Miller, Dickerson, Davidson, Turner

K. AN ORDINANCE OF THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE TO AMEND SECTION 300 OF THE HARRISONVILLE MUNICIPAL CODE, AND ESTABLISHING AN EFFECTIVE DATE.

Staff report presented by Police Chief John Hofer. First reading of Council Bill #62. A motion was made by Alderman Miller with a second by Alderman Davidson to move Council Bill #62 to its second reading. Roll call vote: Roll call vote: Alderman Zaring aye, Alderman Doerhoff aye, Alderman Milner aye, Alderman Reece aye, Alderman Miller aye, Alderman Dickerson aye, Alderman Davidson aye, Alderman Turner aye. Having been read by title only twice roll call vote for passage: Roll call vote: Alderman Zaring *aye, Alderman Doerhoff aye, Alderman Milner aye, Alderman Reece aye, Alderman Miller aye, Alderman Dickerson aye, Alderman Davidson aye, Alderman Turner aye. Upon passage, Mayor Bowman designated it to be Ordinance #3512*

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Clint Miller, Board Member
SECONDER:	Gary Davidson, Board Member
AYES:	Zaring, Doerhoff, Milner, Reece, Miller, Dickerson, Davidson, Turner

L. AN ORDINANCE OF THE CITY OF HARRISONVILLE VACATING UNIMPROVED NORTH/SOUTH ALLEY RIGHT-OF-WAY APPROXIMATELY 100 FT. WEST OF NORTH KING AVENUE BETWEEN EAST PINE STREET AND EAST ELM STREET IN HARRISONVILLE, CASS COUNTY, MISSOURI, AND ESTABLISHING AN EFFECTIVE DATE

Staff report presented by City Planner Roger Kroh. Alderman Davidson asked if all the neighbors were okay with the vacation and Mr. Kroh replied yes. Alderman Zaring asked if the City would ever need to use the alley and Mr. Kroh replied no. First reading of Council Bill #63. A motion was made by Alderman Miller with a second by Alderman Turner to move Council Bill #63 to its second reading. Roll call vote: Roll call vote: Alderman Zaring aye, Alderman Doerhoff aye, Alderman Milner aye, Alderman Reece aye, Alderman Miller aye, Alderman Dickerson aye, Alderman Davidson aye, Alderman Turner aye. Having been read by title only twice roll call vote for passage: Roll call vote: Alderman Zaring aye, Alderman Doerhoff aye, Alderman Milner aye, Alderman Reece aye, Alderman Miller aye, Alderman Dickerson aye, Alderman Davidson aye, Alderman Turner aye. Upon passage, Mayor Bowman designated it to be Ordinance #3513.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Clint Miller, Board Member
SECONDER:	Matt Turner, Board Member
AYES:	Zaring, Doerhoff, Milner, Reece, Miller, Dickerson, Davidson, Turner

M. AN ORDINANCE OF THE CITY OF HARRISONVILLE AMENDING CHAPTER 700, UTILITIES, REGARDING THE CAPACITY INVESTMENT RECOVERY PLAN, WATER TAP FEES, SEWER CONNECTION FEES, AND ELECTRIC CONNECTION FEES

Staff report presented by Public Works Director Carl Brooks and Electric Superintendent Any Pollard. First reading of Council Bill #64. A motion was made by Alderman Miller with a second by Alderman Davidson to move Council Bill #64 to its second reading. Roll call vote: Roll call vote: Alderman Zaring aye, Alderman Doerhoff aye, Alderman Milner aye, Alderman Reece aye, Alderman Miller aye, Alderman Dickerson aye, Alderman Davidson aye, Alderman Turner aye. Having been read by title only twice roll call vote for passage: Roll call vote: Alderman Zaring aye, Alderman Doerhoff aye, Alderman Milner aye, Alderman Reece aye, Alderman Miller aye, Alderman Dickerson aye, Alderman Davidson aye, Alderman Turner aye. Upon passage, Mayor Bowman designated it to be Ordinance #3514.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Clint Miller, Board Member
SECONDER:	Gary Davidson, Board Member

AYES:	Zaring, Doerhoff, Milner, Reece, Miller, Dickerson, Davidson, Turner

N. A RESOLUTION OF THE CITY OF HARRISONVILLE APPROVING A COMPREHENSIVE FEE SCHEDULE, DATED OCTOBER 5, 2020.

Staff report presented by City Planner Roger Kroh and he distributed corrected copies to the Mayor and Board. Mayor Bowman said she was pleased with the progress and thanked all who had been working on this. Roll call vote: Alderman Zaring aye, Alderman Doerhoff aye, Alderman Milner aye, Alderman Reece aye, Alderman Miller aye, Alderman Dickerson aye, Alderman Davidson aye, Alderman Turner aye. Upon passage, Mayor Bowman designated it to be Resolution #2020-036.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Dave Doerhoff, Board Member
SECONDER:	Marcia Milner, Board Member
AYES:	Zaring, Doerhoff, Milner, Reece, Miller, Dickerson, Davidson, Turner

6. Aldermen and Committee Reports

Alderman Turner reported that the new Parks & Recreation Director, Grant Purkey would be starting October 12, 2020.

Alderman Milner said she had received a comment from a resident who was so excited about the dog park and thanked all those who had worked so hard on it. She also thanked city staff for cleaning up some of the processes to make it easier for residents.

Mayor Bowman announced the ribbon cutting for the Dog Park would be Tuesday, October 13, 2020 at 5:15 p.m.

Alderman Davidson congratulated all for their work on the Dog Park and also to Electric Superintendent Any Pollard and his crew for receiving commendation.

Alderman Dickerson congratulated Alderman Doerhoff on his appointment.

7. Report from the City Administrator

City Administrator Brad Ratliff reported the Citywide Clean Up Day will be October 10 and the Stream Cleanup Event will be October 17th. He reported that the City is currently conducting a traffic count study on Shady Lane. Mr. Ratliff shared that the EDI contract has been signed and moving forward. Request for Proposals for repairs at Lake Luna and City Lake have been received. Ben Hart, CPA will be at the next board of aldermen meeting to go over the proposed bonds and Mr. Ratliff stated the wrong amount has been passed around and the correct amount is $10.6 million and the sewer portion for the rate will NOT be $25 per month, it will be a little over $2 per month.. He reported that Aldi's has stated they should begin construction in January of 2021.

8. Questions from the Media

None.

9. Adjourn to Executive Session pursuant to RSMo 610.021 (3) Hiring, firing or discipline of employee and RSMo 610.021 (1) Legal Actions

A motion was made by Alderman Milner to enter into Executive Session pursuant to RSMo 610.021 (3) with a second by Alderman Zaring. Roll call vote: Alderman Zaring aye, Alderman Doerhoff aye, Alderman Milner aye, Alderman Reece aye, Alderman Miller aye, Alderman Dickerson aye, Alderman Davidson aye, Alderman Turner aye. Motion carried.

10. Adjourn From Regular Session

A motion to adjourn was made by Alderman Turner with a second by Alderman Miller. Motion carried. Meeting adjourned at 8:16 p.m.

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Judy Bowman, Mayor & Ex-Officio
Chairman of the Board of Aldermen

ATTEST:

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Randall K. Jones, City Clerk

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Brad Ratliff, City Administrator**

DATE: **October 15, 2020**

SUBJECT: **Appointment of Municipal Judge**

Type of Item: *Appointment*

GENERAL INFORMATION

Applicant: **Brad Ratliff on Behalf of Mayor Bowman**

Requested Actions: **Approval of Appointment**

Date of Application: 10/19/20

PROPOSAL

It has been since 1994 that an RFP has been done for Municipal Judge for Harrisonville. The City Administrator's Office sent out the RFP's on Municipal Judge and Prosecutor. By ordinance, the Mayor is to appoint the Municipal Judge and the City Administrator is to contract the Municipal Prosecutor. The Mayor reviewed the Municipal Judge RFP submissions with the City Administrator and conducted interviews. It was decided to recommend the appointment of Don Lograsso as the City of Harrisonville's Municipal Judge.

PREVIOUS ACTIONS

The Judge and Selection of Municipal Judge is established by ordinance:

Section 125.030 **Selection of Municipal Judge.**
The Judge of the City's Municipal Court shall be known as a Municipal Judge of the 17th Judicial Circuit Court and shall be selected by appointment to the position by the Mayor with approval of a majority of the members of the Board of Aldermen for a term as specified herein.

Kevin Anderson has been the Municipal Judge since 1994. We appreciate his years of service to the community and City.

KEY ISSUES

- Mr. Lograsso is an advisor to the Missouri Supreme Court
- Mr. Lograsso will do annual reports to the Board of Alderman
- There will be a savings in the General Fund with this appointment
- Mr. Lograsso has many years of experience as a Judge
- Mr. Lograsso does not represent defendants in other courts, therefore eliminating any conflicts of interests.

STAFF COMMENTS AND SUGGESTIONS

We look forward to working with Judge Lograsso.

STAFF RECOMMENDATION

This is a Mayor appointment

ATTACHMENTS

- Resolution to approve the appointment and agreement
- Resume of Don Lograsso
- Contract Agreement

STAFF CONTACT: Brad Ratliff, City Administrator

A. Action Item (ID # 3649)

A RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI, TO APPOINT DON LOGRASSO AS MUNICIPAL JUDGE FOR THE HARRISONVILLE MUNICIPAL COURT IN THE 17TH JUDICIAL CIRCUIT COURT.

Attachments:

Don Lograsso, Municipal Judge Candidate (PDF)

Municipal Judge appointment(DOCX)

DON LOGRASSO

1865 SE AA HIGHWAY

BLUE SPRINGS, MO 64014

816-719-7444

Please consider my request to serve as the Harrisonville Municipal Judge.

Don Lograsso is a lifelong resident of Jackson County, Missouri.

Don earned a Bachelor of Arts in Political Science in 1974; a Masters of Public Administration in 1976 and a Juris Doctorate in 1981. Al degrees were earned at the University of Missouri-Kansas City.

Since 1981, Don has been in the practice of general law.

Don served as a State Representative from Eastern Jackson County from 1991-2003. During that time, Don earned numerous awards for his service including one from the Missouri Bar Association for his "outstanding efforts to improve the administration of justice" and one from The Judicial Conference of Missouri for his significant contributions to the advancement of the administration of justice.

Don served a municipal judge in Blue Springs, Mo from October, 2003 until December 2019. He has served as the municipal judge in Buckner, Mo from October 2010 until the present. In both of these positions, Don oversaw the implementation of the dramatic changes in the municipal courts mandated by the State Legislature and the Missouri Supreme Court.

In Buckner, Don initiated annual in-person reports to the Board of Aldermen on the activities in the municipal court.

In 2019 Don was appointed by the Missouri Supreme Court to serve on its Committee on Practice and Procedures in Municipal Division Cases. He continues to serve on that committee at this time.

Since becoming a judge in 2003, Don has limited his law practice to handling minor matters for friends and family. Consequently, Don does not carry professional liability insurance. However, it also means that there is virtually no chance for conflicts of interest or the appearance of such conflicts.

The City of Buckner is currently paying me $1200 per month, for 2 dockets plus additional time required outside normal court dockets. I would request the same from Harrisonville.

To get an overview of Don's performance as a judge, contact the following:

Dan Hickson, former Mayor of Buckner; 8167-365-8182

Bob Welch, former Blue Springs Prosecutor; 816-223-4911

Gary Helm, Independence Municipal Judge; 816-325-7230

Council Bill No.

Resolution No.

A RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI, TO APPOINT DON LOGRASSO AS MUNICIPAL JUDGE FOR THE HARRISONVILLE MUNICIPAL COURT IN THE 17^{TH} JUDICIAL CIRCUIT COURT.

WHEREAS, the Board of Aldermen wishes to appoint Don Lograsso as Municipal Judge for the Harrisonville Municipal Court in the 17^{th} Judicial Circuit Court; and

WHEREAS, the City of Harrisonville requested bids for the position of Municipal Judge: and

WHEREAS, by ordinance, the Mayor is to appoint the Municipal Judge and City Administrator is to contract the Municipal Prosecutor; and

WHEREAS, Don Lograsso fully meets the qualifications for appointment to this position; and

WHEREAS, Mayor Judy Bowman recommends the appointment of Don Lograsso to the position of Municipal Judge upon the approval of the Board of Aldermen;

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

Section 1: That Don Lograsso is hereby appointed Municipal Judge for the Harrisonville Municipal Court in the 17^{th} Judicial Circuit Court.

Section 2: That this resolution shall be in effect 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 19TH DAY OF OCTOBER 2020.

ROLL CALL VOTE:

AYES:
NAYS:
RECUSED:

Judy Bowman, Mayor and Ex-Officio
Chairman of the Board of Aldermen

ATTEST:

____
Randall K. Jones, City Clerk
WITNESS my hand and seal this 19th day of October 2020.

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Brad Ratliff, City Administrator**

DATE: **October 15, 2020**

SUBJECT: **Introduction of New Municipal Prosecutor**

Type of Item: *Report*

GENERAL INFORMATION

Applicant: **Brad Ratliff, City Administrator**

Requested Actions: **None as this is a Report**

Date of Application: **10/19/20**

PROPOSAL

This is just to report that we put out an RFP for Municipal Prosecutor to review all applicants, including our current prosecutor. The last time this was conducted was in 1991. Since that time Joe Cambiano has been serving as the prosecutor. After receiving all the applications for the Municipal Prosecutor, I have selected Sarah Carnes, with Lauber Municipal Law. Ms Carnes has a great amount of experience and her law firm does not represent defendants in other areas courts.

PREVIOUS ACTIONS

Last selection of prosecutor was in 1991. We appreciate the service of Mr. Cambiano to the community.

KEY ISSUES

- There will be back up attorneys within her law firm that can step in if she is out.
- She has a great amount of City experience in prosecution.
- There will be a savings in the General Fund

STAFF COMMENTS AND SUGGESTIONS

We are looking forward to working with Ms. Carnes.

STAFF RECOMMENDATION

No approval needed as this is a report.

ATTACHMENTS

- Resume of Ms. Carnes

STAFF CONTACT: Brad Ratliff, City Administrator

B. Action Item (ID # 3650)

Introduction of New Municipal Prosecutor

Attachments:

Sarah Carnes, 1 Page Resume(PDF)

LAUBER MUNICIPAL LAW, LLC

Serving those who serve the public

SARAH E. CARNES

ASSOCIATE ATTORNEY

General Overview

Sarah joined Lauber Municipal Law, LLC, in 2020, and practices in the areas of general municipal law, municipal prosecution, public entity litigation, public contracts, ordinance drafting, and other general municipal issues. Prior to joining Lauber Municipal Law, LLC, Sarah served as the Utilities Counselor for the City of Independence, Missouri, where, in addition to general municipal work, she provided legal support for the City's public utilities including regulatory compliance, contract drafting and review, environmental compliance, legislative activities, and arbitration and litigation related to union matters. Sarah also previously served as General Counsel for the Texas State Board of Dental Examiners and attorney for Texas Department of Public Safety.

Education

Thomas M. Cooley Law School, Juris Doctor, 2007

University of Missouri – Columbia, Interdisciplinary Studies, 2003

Bar Admissions

Missouri State Bar, Bar No. 66576, April 2014
Kansas State Bar, Bar No. 26776, May 2015
Texas State Bar, Bar No. 24062654, May 2008 (inactive)

Relevant Legal Experience

- Serves as an assistant city prosecutor for Grain Valley and Pleasant Hill, Missouri
- Experienced litigator before the courts and administrative boards
- Prepared pleadings, evidence, discovery and presented facts and law of assigned cases for administrative hearings
- Prepared cases for settlement conferences and negotiated settlement agreements with opposing counsel

Representative Cases

Texas Department of Public Safety v. James Allen Hagen. *Brief to the Texas 12th Court of Appeals District, 2011.*

Professional Affiliations

Kansas City Metropolitan Bar Association
Eastern Jackson County Bar Association
Energy Bar Association

250 NE Tudor Road • Lee's Summit, MO 64086 • Office (816)525-7881 • Mobile (816) 944-8889
Email scarnes@laubermunicipal.com

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Brad Ratliff, City Administrator**

DATE: **October 15, 2020**

SUBJECT: **Appointment of City Clerk**

Type of Item: *Appointment*

GENERAL INFORMATION

Applicant: **Brad Ratliff, City Administrator**

Requested Actions: **Approval of Daniel Barnett to City Clerk**

Date of Application: **10/19/20**

PROPOSAL

As most of you are aware, Randy Jones filed for office to be the Cass County Public Administrator. Mr. Jones does not have a contested election and will be leaving us on Dec. 11, 2020. To have a seamless transition of the office, I have recommended Daniel Barnett to the position. In my discussions with Mr. Barnett, he will in addition, hang on to his current PIO duties as the City Clerk. There will be no need to fill the PIO position at this time, thus bringing a savings to the General Fund. Mr. Barnett is a lifelong Harrisonville resident and I believe is well qualified for the position. I have confirmed with Mayor Bowman on this appointment and she has agreed and recommended this appointment for Aldermen approval.

PREVIOUS ACTIONS

Randy Jones was approved by the BOA in April 2017.

KEY ISSUES

- Mr. Barnett is very well acquainted with City operations
- Mr. Barnett exceeds the qualifications for the position.
- Not filling the PIO position will create a savings
- Current and lifelong Resident of Harrisonville
- Well qualified for the position
- Doing this now will allow Mr. Jones to train and pass along information from the position.

STAFF COMMENTS AND SUGGESTIONS

This will give a great opportunity at this time to make the move to allow Mr. Jones to train Mr. Barnett on locations of files and information for the position.

STAFF RECOMMENDATION

Staff Recommends Approval

ATTACHMENTS

- Resignation Letter of Randy Jones
- Resume of Daniel Barnett
- Ordinance approving the appointment as stated in ordinance

STAFF CONTACT: Brad Ratliff, City Administrator

C. Action Item (ID # 3648)

AN ORDINANCE OF THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI, TO APPOINT DANIEL BARNETT AS CITY CLERK FOR THE CITY OF HARRISONVILLE, MISSOURI.

Attachments:

O. Ordinance RE. City Clerk Appointment (00039082xC1FED) (DOCX)

Resignation Letter. Jones, 2 Months notice (PDF)

Daniel Barnett resume 2020 (PDF)

Council Bill No. _____

Ordinance No. _____

AN ORDINANCE OF THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI, TO APPOINT DANIEL BARNETT AS CITY CLERK FOR THE CITY OF HARRISONVILLE, MISSOURI.

WHEREAS, the Board of Aldermen wishes to appoint Daniel Barnett as City Clerk for the City of Harrisonville; and

WHEREAS, Daniel Barnett fully meets the qualifications for appointment to this position; and

WHEREAS, Mayor Judy Bowman recommends the appointment of Daniel Barnett to the position of City Clerk upon the approval of the Board of Aldermen;

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

Section 1: That Daniel Barnett is hereby appointed City Clerk for the City of Harrisonville, Missouri.

Section 2: That the salary for the City Clerk position shall be established in the City budget as amended from time to time.

Section 3: That this Ordinance shall be in effect immediately upon its passage and approval.

Read for the first time by title only on the 19th day of October 2020. Read for the second time by title only on the 19th day of October 2020.

____

Judy Bowman, Mayor

ATTEST:

____

Randy Jones, City Clerk

APPROVED by the Mayor this 19th day of October, 2020

October 9, 2020

Dear Mayor Bowman and Administrator Ratliff:

Thank you both so much for your support and encouragement throughout this elected position process. I have been so blessed to run for public administrator unopposed – especially this year of all years!

You both have been great to work for and I have appreciated that you have allowed me to continue serving Harrisonville as we prepare for my transition out and Daniel to assume my role completely. With that being said, my final day of employment with the City of Harrisonville will be Friday, December 11, 2020. That allows me still time to help at the Community Center with the transition of Grant coming in as Director and cleaning up files and helping him get organized and deciding on where to go as far as assistant director and the aquatics department. Amy needs some assistance until her area is back to normal as well as Faith has some personnel files that we would like to get updated and still need to go over some last minute things with Daniel.

The City of Harrisonville has been very good to me and again, I appreciate so much what the two of you have done for me. I will only be across town, so if there is ever anything I can help with, please don't hesitate to call.

Sincerely,

Randy Jones

Randy Jones

Daniel C. Barnett

Phone: (816) 380-8909

dbarnett@harrisonville.com

Education

- Harrisonville High School, Harrisonville, Missouri - Graduated: 2011.
- B.S. in Digital Media Production with a minor in Criminal Justice - University of Central Missouri, Warrensburg, Missouri - Graduated: December 2015.

Professional Experience

City of Harrisonville

Public Information Officer/Deputy City Clerk. October 2018-Present. Harrisonville, MO.

Establish and maintain an effective communication presence throughout the community that informs and enhances the City's overall image.

- Maintain City website, social media, and other platforms, to disseminate information for the public.
- Assists City Clerk with creation of various Board/Commission materials, including packets, minutes, legal documents, etc. Act as City Clerk in clerk's absence.
- Facilitate all City news coverage from local, state and national media outlets.
- Serve as videographer for Board of Aldermen meetings and other City functions.
- Assist Police and Emergency Services with large-event response.
- Prepare and deliver all City public relations/community education information campaigns.
- Assist all departments to maintain their online presence.
- Serves as City Historian.
- Oversees Content Management Systems (CMS) and Customer Service Modules.

KCTV5/KSMO

Digital Content Producer. August 2016-October 2018. Fairway, KS.

Work alongside the KCTV/KSMO staff to create digital content used to tell compelling stories through text, video and graphics, across all digital platforms.

- Produces, posts and manages digital content around breaking news for use across mobile, social and web platforms.
- Plan, create and distribute content across various platforms for a variety of purposes.
- Participate in the development and execution of local audience building initiatives.
- Create content for various sporting events, such as, Kansas City Chiefs games, Kansas City Royals games, the Big 12 Mens' Basketball Tournament, the NCAA DI Wrestling Championships, etc.

Missouriwrestling.com

Contributor. November 2017-January 2019. Kansas City, MO.

Create content used on missouriwrestling.com's physical web page and its social media platforms to inform the public, promote and educate viewers about the sport of wrestling in the state of Missouri.

- Write articles previewing teams and competitions, scouting athletes and covering competitions.
- Record video interviews with coaches and athletes.
- Cover teams and competitions through various social media platforms.

KMBC 9/KCWE 29 News

Editor. March 2016-August 2016. Kansas City, MO.

Work alongside the KMBC/KCWE news team to create clean, interactive, and informative newscasts.

- Screening all incoming and outgoing video content for the newscast
- Editing all video for newscasts using Adobe Suites.
- Maintaining a creative and audience-focused frame of mind for all video content.

Memberships/Certifications:

- Missouri Association of City Clerks and Finance Officers – member
- MARC – Regional Association of Public Information Officers – member
- Bright Futures (Harrisonville) – Advisory Board Member
- FBI-LEEDA - Media & Public Relations course graduate
- Certified Notary Public – (in progress)
- Certified Municipal Clerk – (in progress)

References

- Jeremy Smith – Director of Administrative Services – City of Harrisonville
    - (816) 380-8904 jsmith@harrisonville.com
- Bob Huston – Presiding Commissioner – Cass County
    - (816) 380-8160 bhuston@casscounty.com
- Randy Jones – City Clerk – City of Harrisonville
    - (816) 380-8986 rjones@harrisonville.com
- Chris Oberholtz – Digital Content Manager – KCTV5 News
    - (913) 677-7211 chris.oberholtz@kctv5.com

City of Harrisonville est. 1836

STAFF REPORT

TO: Board of Aldermen

FROM: Daniel Barnett,

DATE: October 15, 2020

SUBJECT: MoDOT Taxilane Reconstruction Grant Ordinance

<u>Type of Item:</u> *Approval*

Council Bill No.

Ordinance No.

AN ORDINANCE OF THE HARRISONVILLE BOARD OF ALDERMEN AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO A MUNICIPAL AGREEMENT WITH THE MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION AND ESTABLISHING AN EFFECTIVE DATE.

Council Bill No.

Ordinance No.

AN ORDINANCE OF THE HARRISONVILLE BOARD OF ALDERMEN AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO A MUNICIPAL AGREEMENT WITH THE MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Harrisonville ("City") and the Missouri Highways and Transportation Commission desire to enter into a municipal agreement for Lawrence Smith Memorial Airport Taxilane Reconstruction Project;

WHEREAS, the Board of Aldermen have reviewed the request and believe it to be in the best interest of the city to enter into the municipal agreement with the Missouri Highways and Transportation Commission;

THEREFORE BE IT ORDAINED BY THE HARRISONVILLE BOARD OF ALDERMEN THAT:

Section 1: The City Administrator is hereby authorized and directed by the Board of Aldermen to enter into a municipal agreement with the Missouri Highways and Transportation Commission for the Lawrence Smith Memorial Airport Taxilane Reconstruction Project.

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

READ ONE TIME BY TITLE ONLY ON OCTOBER 19TH, 2020. READ FOR A SECOND TIME BY TITLE ONLY ON OCTOBER 19TH, 2020, AND WAS DULY APPROVED BY THE BOARD OF ALDERMEN THIS 19TH DAY OF OCTOBER 2020.

Aye:
Nay:
Abstain:
Absent:

____
Judy Bowman, Mayor & Ex Officio
Chairman of the Board of Aldermen

ATTEST:

____
Randall K. Jones, City Clerk
WITNESS my hand and seal this 19th day of October, 2020.

City of Harrisonville est. 1836

AIRPORT TAXIWAY PROJECT

ENGINEERING DEPARTMENT
HARRISONVILLE, MISSOURI

To: **Mayor & Board of Aldermen**

From: **Ted Martin, P.E. City Engineer**

Date: **October 15, 2020**

RE: **Missouri Department of Transportation (MoDOT) Agreement**

Type of Item:
An ordinance authorizing the City Administrator to enter into a Municipal Agreement with the Missouri Highways and Transportation Commission Lawrence Smith Memorial Airport Taxilane Reconstruction Project.

Issue:
The City has obtained a State Block Grant from the Missouri Department of Transportation (MoDOT) for an 90% cost share not to exceed $106,200.00 for engineering design. The City's local matching fund share will not exceed $11,800.00. In addition to the block grant, the airport has also received a $30,000 CARES grant, and MoDOT has approved using $11,800 from the CARES grant for the match to the block grant; thus, the City will not have any costs for this phase of work.

Background:
The need for pavement rehabilitation at the Lawrence Smith Airport was identified in the airport's master plan. Currently asphalt pavement conditions along the south hangars and taxiway is in poor conditions and for the Federal Aviation Administration (FAA) to allow these hangars to remain open, it must be upgraded to meet their standards.

Recommendations:
Staff request the Board authorize by ordinance approval of:

"Missouri Highways and Transportation Commission Municipal Agreement"

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Carl Brooks,**

DATE: **October 7, 2020**

SUBJECT: **Intersection Study at Locust and Commercial Streets**

Type of Item: *Approval*

To: Mayor & Board of Aldermen

From: Carl Brooks, Director of Public Works (cbrooks@harrisonville.com)

Date: October 19, 2020

Re: Ordinance No. 2020-xx, Mayor & Board of Alderman (BOA) Acceptance of the MoDOT Traffic Engineering Assistance Program Agreement (Cass County), Missouri

GENERAL INFORMATION

Applicant: City Staff

Requested Actions: Approval of ordinance

Purpose: Acceptance of the MoDOT Traffic Engineering Assistance Program Grant funds for an intersection study at Locust Street and Commercial Street.

Property Location: Locust Street and Commercial Street

PROPOSAL

To accept an 80/20 engineering traffic study grant written by City staff that was submitted to MoDOT and granted. The agreement consists of a maximum grant amount of $10,000. Eighty percent of the amount would be covered by MoDOT. If the engineer's scope of services included in the grant exceeds $10,000, then the City would solely be responsible for additional funds. Presently, the City match is $2,000.

PREVIOUS ACTIONS

The City selected Affinis Corporation from a list of acceptable engineers from MoDOT's website to be the engineering consultant.

The grant application was previously submitted in 2019 to MoDOT.

KEY ISSUES

The grant requires a 20% share matching by the City, but only up to $10,000 where the City will assume to 100% responsibility.

MoDOT staff request is that the ordinance is fully executed by November 6, 2020.

STAFF COMMENTS AND SUGGESTIONS

City staff agree that the intersection study at Locust Street and Commercial Street should be completed by Affinis Corporation.

STAFF RECOMMENDATION

City staff recommends passage of this ordinance.

ATTACHMENTS

MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION TRAFFIC ENGINEERING ASSISTANCE PROGRAM AGREEMENT, TEAP037

Exhibit A, location map

Exhibit B, schedule

Ordinance 2020-xx

E. Action Item (ID # 3644)

AN ORDINANCE OF THE HARRISONVILLE BOARD OF ALDERMEN TO AUTHORIZE THE MAYOR TO EXECUTE A CONTRACT BETWEEN THE CITY OF HARRISONVILLE, MISSOURI AND THE MISSOURI HIGHWAY AND TRANSPORTATION COMMISSION PROVIDING FOR AN INTERSECTION STUDY AT LOCUST STREET AND COMMERCIAL STREET IN THE CITY OF HARRISONVILLE.

Attachments:

MoDOT TEAP Grant Locust and Commercial 2020-08-58639 (PDF)

Staff Report Harrisonville MoDOT (DOC)

TEAP Grant Ordinance 136.3.16 (1) (DOC)

CCO Form: FS26
Approved: 01/15 (MWH)
Revised: 03/17 (MWH)
Modified: 09/20 (MWH)

CFDA Number: CFDA #20.205
CFDA Title: Highway Planning and Construction
Award name/number: TEAP037
Award Year: 2021
Federal Agency: Federal Highway Administration, Department of Transportation

MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION
TRAFFIC ENGINEERING ASSISTANCE PROGRAM AGREEMENT

THIS AGREEMENT is entered into by the Missouri Highways and Transportation Commission (hereinafter, "Commission") and the City of Harrisonville (hereinafter, “City”).

WITNESSETH:

NOW, THEREFORE, in consideration of the mutual covenants, promises and representations in this Agreement, the parties agree as follows:

(1) PURPOSE: The United States Congress has authorized, in 23 U.S.C. 402, Planning and Research funds to be used for Traffic Engineering Assistance Program (TEAP) activities. The purpose of this Agreement is to grant the use of such Traffic Engineering Assistance Program funds to the City.

(2) LOCATION: The TEAP funds which are the subject of this Agreement are for the project at the following location:

Intersection study at Locust Street and Commercial Street in the City of Harrisonville

The general location of the project is shown on attachment marked "Exhibit A" and incorporated herein by reference.

(3) REASONABLE PROGRESS POLICY: The project as described in this agreement is subject to the reasonable progress policy set forth in the Local Public Agency (LPA) Manual and the final deadline specified in Exhibit B attached hereto and incorporated herein by reference. In the event, the LPA Manual and the final deadline within Exhibit B conflict, the final deadline within Exhibit B controls. If the project is withdrawn for not meeting reasonable progress, the City agrees to repay the Commission for any progress payments made to the City for the project and agrees that the Commission may deduct progress payments made to the City from future payments

to the City. The City may not be eligible for future TEAP Funds if the City does not meet the reasonable progress policy.

(4) INDEMNIFICATION:

(A) To the extent allowed or imposed by law, the City shall defend, indemnify and hold harmless the Commission, including its members and the Missouri Department of Transportation (MoDOT or Department) employees, from any claim or liability whether based on a claim for damages to real or personal property or to a person for any matter relating to or arising out of the City's wrongful or negligent performance of its obligations under this Agreement.

(B) The City will require any contractor procured by the City to work under this Agreement:

1. To obtain a no cost permit from the Commission's district engineer prior to working on the Commission's right-of-way, which shall be signed by an authorized contractor representative (a permit from the Commission's district engineer will not be required for work outside of the Commission's right-of-way); and

2. To carry commercial general liability insurance and commercial automobile liability insurance from a company authorized to issue insurance in Missouri, and to name the Commission, and MoDOT and its employees, as additional named insureds in amounts sufficient to cover the sovereign immunity limits for Missouri public entities as calculated by the Missouri Department of Insurance, Financial Institutions and Professional Registration, and published annually in the Missouri Register pursuant to Section 537.610, RSMo. The City shall cause insurer to increase the insurance amounts in accordance with those published annually in the Missouri Register pursuant to Section 537.610, RSMo.

(C) In no event shall the language of this Agreement constitute or be construed as a waiver or limitation for either party's rights or defenses with regard to each party's applicable sovereign, governmental, or official immunities and protections as provided by federal and state constitution or law.

(5) AMENDMENTS: Any change in this Agreement, whether by modification or supplementation, must be accomplished by a formal contract amendment signed and approved by the duly authorized representatives of the City and the Commission.

(6) COMMISSION REPRESENTATIVE: The Commission's State Design Engineer is designated as the Commission's representative for the purpose of administering the provisions of this Agreement. The Commission's representative may designate by written notice other persons having the authority to act on behalf of the Commission in furtherance of the performance of this Agreement.

(7) NONDISCRIMINATION ASSURANCE: With regard to work under this Agreement, the City agrees as follows:

(A) Civil Rights Statutes: The City shall comply with all state and federal statutes relating to nondiscrimination, including but not limited to Title VI and Title VII of the Civil Rights Act of 1964, as amended (42 U.S.C. §2000d and §2000e, *et seq*.), as well as any applicable titles of the "Americans with Disabilities Act" (42 U.S.C. §12101, *et seq*.). In addition, if the City is providing services or operating programs on behalf of the Department or the Commission, it shall comply with all applicable provisions of Title II of the "Americans with Disabilities Act".

(B) Administrative Rules: The City shall comply with the administrative rules of the United States Department of Transportation relative to nondiscrimination in federally-assisted programs of the United States Department of Transportation (49 C.F.R. Part 21) which are herein incorporated by reference and made part of this Agreement.

(C) Nondiscrimination: The City shall not discriminate on grounds of the race, color, religion, creed, sex, disability, national origin, age or ancestry of any individual in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The City shall not participate either directly or indirectly in the discrimination prohibited by 49 C.F.R. §21.5, including employment practices.

(D) Solicitations for Subcontracts, Including Procurements of Material and Equipment: These assurances concerning nondiscrimination also apply to subcontractors and suppliers of the City. These apply to all solicitations either by competitive bidding or negotiation made by the City for work to be performed under a subcontract including procurement of materials or equipment. Each potential subcontractor or supplier shall be notified by the City of the requirements of this Agreement relative to nondiscrimination on grounds of the race, color, religion, creed, sex, disability or national origin, age or ancestry of any individual.

(E) Information and Reports: The City shall provide all information and reports required by this Agreement, or orders and instructions issued pursuant thereto, and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Commission or the United States Department of Transportation to be necessary to ascertain compliance with other contracts, orders and instructions. Where any information required of the City is in the exclusive possession of another who fails or refuses to furnish this information, the City shall so certify to the Commission or the United States Department of Transportation as appropriate and shall set forth what efforts it has made to obtain the information.

(F) Sanctions for Noncompliance: In the event the City fails to comply with the nondiscrimination provisions of this Agreement, the Commission shall impose such contract sanctions as it or the United States Department of Transportation may determine to be appropriate, including but not limited to:

1. Withholding of payments under this Agreement until the City complies; and/or

2. Cancellation, termination or suspension of this Agreement, in whole or in part, or both.

(G) Incorporation of Provisions: The City shall include the provisions of paragraph (7) of this Agreement in every subcontract, including procurements of materials and leases of equipment, unless exempted by the statutes, executive order, administrative rules or instructions issued by the Commission or the United States Department of Transportation. The City will take such action with respect to any subcontract or procurement as the Commission or the United States Department of Transportation may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that in the event the City becomes involved or is threatened with litigation with a subcontractor or supplier as a result of such direction, the City may request the United States to enter into such litigation to protect the interests of the United States.

(8) ASSIGNMENT: The City shall not assign, transfer or delegate any interest in this Agreement without the prior written consent of the Commission.

(9) LAW OF MISSOURI TO GOVERN: This Agreement shall be construed according to the laws of the State of Missouri. The City shall comply with all local, state and federal laws and regulations relating to the performance of this Agreement.

(10) CANCELLATION: The Commission may cancel this Agreement at any time for a material breach of contractual obligations by providing the City with written notice of cancellation. Should the Commission exercise its right to cancel this Agreement for such reasons, cancellation will become effective upon the date specified in the notice of cancellation sent to the City.

(11) ACCESS TO RECORDS: The City and its contractors must maintain all records relating to this Agreement, including but not limited to invoices, payrolls, etc. These records must be available at no charge to the Federal Highway Administration (FHWA) and the Commission and/or their designees or representatives during the period of this Agreement and any extension, and for a period of three (3) years after the date on which the City receives reimbursement of their final invoice from the Commission.

(12) FEDERAL-AID PROVISIONS: Because responsibility for the performance of all functions or work contemplated as part of this project is assumed by the City, and the City may elect to construct part of the improvement contemplated by this Agreement with its own forces, a copy of Section II and Section III, as contained in the United States Department of Transportation Form Federal Highway Administration (FHWA)

1273 "Required Contract Provisions, Federal-Aid Construction Contracts," is attached and made a part of this Agreement as Exhibit C. Wherever the term "the contractor" or words of similar import appear in these sections, the term “the City” is to be substituted. The City agrees to abide by and carry out the condition and obligations of "the contractor" as stated in Section II, Equal Opportunity, and Section III, Nonsegregated Facilities, as set out in Form FHWA 1273.

(13) PLANS: The City shall prepare preliminary and final plans and specifications for the herein improvements. The plans and specifications shall be submitted to the Commission for the Commission's review and approval. The Commission has the discretion to require changes to any plans and specification prior to any approval by the Commission.

(14) REIMBURSEMENT: The cost of the contemplated improvements will be borne by the United States Government, the Commission and by the City as follows:

(A) Any federal funds for project activities shall only be available for reimbursement of eligible costs which have been incurred by City. Any costs incurred by City prior to authorization from FHWA and notification to proceed from the Commission are **not** reimbursable costs. The federal share for this project will be 80 percent not to exceed $8,000.00. The calculated federal share for seeking federal reimbursement of participating costs for the herein improvements will be determined by dividing the total federal funds applied to the project by the total participating costs. Any costs for the herein improvements which exceed any federal reimbursement or are not eligible for federal reimbursement shall be the sole responsibility of City. The Commission shall not be responsible for any costs associated with the herein improvement unless specifically identified in this Agreement or subsequent written amendments.

(15) PROGRESS PAYMENTS: The City may request progress payments be made for the herein improvements as work progresses but not more than once every two weeks. Progress payments must be submitted monthly. The City shall repay any progress payments which involve ineligible costs.

(16) PROMPT PAYMENTS: Progress invoices submitted to MoDOT for reimbursement more than thirty (30) calendar days after the date of the vendor invoice shall also include documentation that the vendor was paid in full for the work identified in the progress invoice. Examples of proof of payment may include a letter or e-mail from the vendor, lien waiver or copies of cancelled checks. Reimbursement will not be made on these submittals until proof of payment is provided. Progress invoices submitted to MoDOT for reimbursement within thirty (30) calendar days of the date on the vendor invoice will be processed for reimbursement without proof of payment to the vendor. If the City has not paid the vendor prior to receiving reimbursement, the City must pay the vendor within two (2) business days of receipt of funds from MoDOT.

(17) PERMITS: The City shall secure any necessary approvals or permits from any federal or state agency as required for the completion of the herein improvements. If this improvement is on the right of way of the Commission, the City must secure a permit from the Commission prior to the start of any work on the right of way. The permits which may be required include, but are not limited to, environmental, architectural, historical or cultural requirements of federal or state law or regulation.

(18) INSPECTION OF IMPROVEMENTS AND RECORDS: The City shall assure that representatives of the Commission and FHWA shall have the privilege of inspecting and reviewing the work being done by the City's contractor and subcontractor on the herein project. The City shall also assure that its contractor, and all subcontractors, if any, maintain all books, documents, papers and other evidence pertaining to costs incurred in connection with the TEAP Agreement, and make such materials available at such contractor's office at all reasonable times at no charge during this Agreement period, and for three (3) years from the date of final payment under this Agreement, for inspection by the Commission, FHWA or any authorized representatives of the Federal Government and the State of Missouri, and copies shall be furnished, upon request, to authorized representatives of the Commission, State, FHWA, or other Federal agencies.

(19) CREDIT FOR DONATIONS OF FUNDS, MATERIALS, OR SERVICES: A person may offer to donate funds, materials or services in connection with this project. Any donated funds, or the fair market value of any donated materials or services that are accepted and incorporated into this project shall be credited according to 23 U.S.C. §323.

(20) DISADVANTAGED BUSINESS ENTERPRISES (DBE): The Commission will advise the City of any required goals for participation by disadvantaged business enterprises (DBEs) to be included in the City's proposal for the work to be performed. The City shall submit for Commission approval a DBE goal or plan. The City shall comply with the plan or goal that is approved by the Commission and all requirements of 49 C.F.R. Part 26, as amended.

(21) VENUE: It is agreed by the parties that any action at law, suit in equity, or other judicial proceeding to enforce or construe this Agreement, or regarding its alleged breach, shall be instituted only in the Circuit Court of Cole County, Missouri.

(22) NOTICE TO BIDDERS: The City shall notify the prospective bidders that disadvantaged business enterprises shall be afforded full and affirmative opportunity to submit bids in response to the invitation and will not be discriminated against on grounds of race, color, sex, or national origin in consideration for an award.

(23) FINAL AUDIT: The Commission may, in its sole discretion, perform a final audit of project costs. The United States Government shall reimburse the City, through the Commission, any monies due. The City shall refund any overpayments as determined by the final audit.

(24) AUDIT REQUIREMENT: If the City expend(s) seven hundred fifty thousand dollars ($750,000) or more in a year in federal financial assistance it is required to have an independent annual audit conducted in accordance with 2 CFR Part 200. A copy of the audit report shall be submitted to MoDOT within the earlier of thirty (30) days after receipt of the auditor's report(s), or nine (9) months after the end of the audit period. Subject to the requirements of 2 CFR Part 200, if the City expend(s) less than seven hundred fifty thousand dollars ($750,000) a year, the City may be exempt from auditing requirements for that year but records must be available for review or audit by applicable state and federal authorities.

(25) FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT OF 2006: The City shall comply with all reporting requirements of the Federal Funding Accountability and Transparency Act (FFATA) of 2006, as amended. This Agreement is subject to the award terms within 2 C.F.R. Part 170.

Remainder of Page Intentionally Left Blank

IN WITNESS WHEREOF, the parties have entered into this Agreement on the date last written below.

Executed by the City this ____ day of ___________, 20__.

Executed by the Commission this ____ day of ________________, 20___.

MISSOURI HIGHWAYS AND
TRANSPORTATION COMMISSION

____

Title ____________________________

ATTEST:

____
Secretary to the Commission

Approved as to Form:

____
Commission Counsel

CITY OF HARRISONVILLE

By _____________________________

Title ____________________________

ATTEST:

By _____________________________

Title ____________________________

Approved as to Form:

____

Title ___________________________

Ordinance No _____________________

Exhibit A

Figure 1 – Locust Street at Commercial Street Intersection

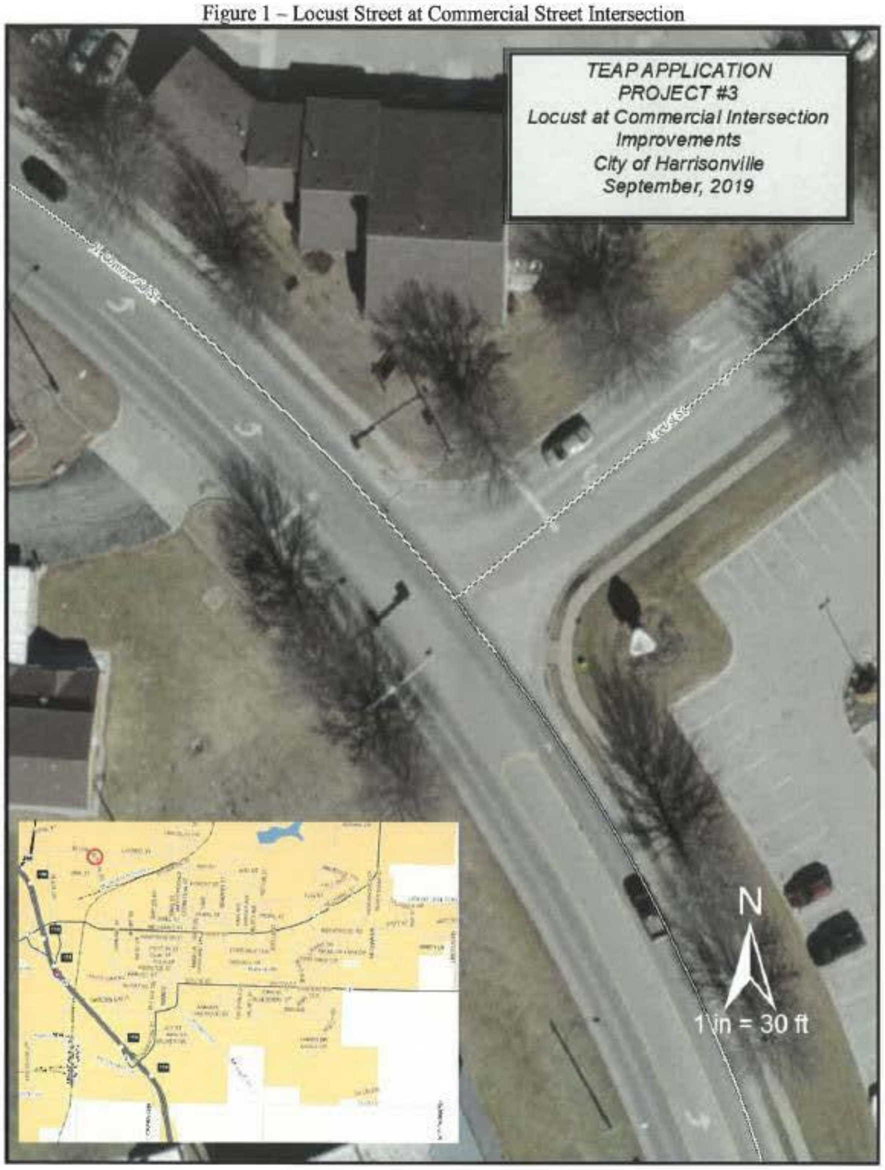

Exhibit B

Task	Date
Execution of Program Agreement	November 6, 2020
Approval of Engineering Services Contract	November 13, 2020
Notice to Proceed	November 20, 2020
Final Report Submittal	March 12, 2021
Final Invoice Submittal	March 31, 2021

EXHIBIT C
FHWA 1273

FHWA-1273 -- Revised May 1, 2012

REQUIRED CONTRACT PROVISIONS
FEDERAL-AID CONSTRUCTION CONTRACTS

ATTACHMENTS

I. GENERAL

1. Form FHWA-1273 must be physically incorporated in each construction contract funded under Title 23 (excluding emergency contracts solely intended for debris removal). The contractor (or subcontractor) must insert this form in each subcontract and further require its inclusion in all lower tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services).

The applicable requirements of Form FHWA-1273 are incorporated by reference for work done under any purchase order, rental agreement or agreement for other services. The prime contractor shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider.

Form FHWA-1273 must be included in all Federal-aid design-build contracts, in all subcontracts and in lower tier subcontracts (excluding subcontracts for design services, purchase orders, rental agreements and other agreements for supplies or services). The design-builder shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider.

Contracting agencies may reference Form FHWA-1273 in bid proposal or request for proposal documents, however, the Form FHWA-1273 must be physically incorporated (not referenced) in all contracts, subcontracts and lower-tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services related to a construction contract).

2. Subject to the applicability criteria noted in the following sections, these contract provisions shall apply to all work performed on the contract by the contractor's own organization and with the assistance of workers under the contractor's immediate superintendence and to all work performed on the contract by piecework, station work, or by subcontract.

3. A breach of any of the stipulations contained in these Required Contract Provisions may be sufficient grounds for withholding of progress payments, withholding of final payment, termination of the contract, suspension / debarment or any other action determined to be appropriate by the contracting agency and FHWA.

4. Selection of Labor: During the performance of this contract, the contractor shall not use convict labor for any purpose within the limits of a construction project on a Federal-aid highway unless it is labor performed by convicts who are on parole, supervised release, or probation. The term Federal-aid highway does not include roadways functionally classified as local roads or rural minor collectors.

II. NONDISCRIMINATION

The provisions of this section related to 23 CFR Part 230 are applicable to all Federal-aid construction contracts and to all related construction subcontracts of $10,000 or more. The provisions of 23 CFR Part 230 are not applicable to material supply, engineering, or architectural service contracts.

In addition, the contractor and all subcontractors must comply with the following policies: Executive Order 11246, 41 CFR 60, 29 CFR 1625-1627, Title 23 USC Section 140, the Rehabilitation Act of 1973, as amended (29 USC 794), Title VI of the Civil Rights Act of 1964, as amended, and related regulations including 49 CFR Parts 21, 26 and 27; and 23 CFR Parts 200, 230, and 633.

The contractor and all subcontractors must comply with: the requirements of the Equal Opportunity Clause in 41 CFR 60-1.4(b) and, for all construction contracts exceeding $10,000, the Standard Federal Equal Employment Opportunity Construction Contract Specifications in 41 CFR 60-4.3.

Note: The U.S. Department of Labor has exclusive authority to determine compliance with Executive Order 11246 and the policies of the Secretary of Labor including 41 CFR 60, and 29 CFR 1625-1627. The contracting agency and the FHWA have the authority and the responsibility to ensure compliance with Title 23 USC Section 140, the Rehabilitation Act of 1973, as amended (29 USC 794), and Title VI of the Civil Rights Act of 1964, as amended, and related regulations including 49 CFR Parts 21, 26 and 27; and 23 CFR Parts 200, 230, and 633.

The following provision is adopted from 23 CFR 230, Appendix A, with appropriate revisions to conform to the U.S. Department of Labor (US DOL) and FHWA requirements.

1. Equal Employment Opportunity: Equal employment opportunity (EEO) requirements not to discriminate and to take affirmative action to assure equal opportunity as set forth under laws, executive orders, rules, regulations (28 CFR 35, 29 CFR 1630, 29 CFR 1625-1627, 41 CFR 60 and 49 CFR 27) and orders of the Secretary of Labor as modified by the provisions prescribed herein, and imposed pursuant to 23 U.S.C. 140 shall constitute the EEO and specific affirmative action standards for the contractor's project activities under this contract. The provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) set forth under 28 CFR 35 and 29 CFR 1630 are incorporated by reference in this contract. In the execution of this contract, the contractor agrees to comply with the following minimum specific requirement activities of EEO:

a. The contractor will work with the contracting agency and the Federal Government to ensure that it has made every good faith effort to provide equal opportunity with respect to all of its terms and conditions of employment and in their review of activities under the contract.

b. The contractor will accept as its operating policy the following statement:

"It is the policy of this Company to assure that applicants are employed, and that employees are treated during employment, without regard to their race, religion, sex, color, national origin, age or disability. Such action shall include: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship, pre-apprenticeship, and/or on-the-job training."

2. EEO Officer: The contractor will designate and make known to the contracting officers an EEO Officer who will have the responsibility for and must be capable of effectively administering and promoting an active EEO program and who must be assigned adequate authority and responsibility to do so.

3. Dissemination of Policy: All members of the contractor's staff who are authorized to hire, supervise, promote, and discharge employees, or who recommend such action, or who are substantially involved in such action, will be made fully cognizant of, and will implement, the contractor's EEO policy and contractual responsibilities to provide EEO in each grade and classification of employment. To ensure that the above agreement will be met, the following actions will be taken as a minimum:

a. Periodic meetings of supervisory and personnel office employees will be conducted before the start of work and then not less often than once every six months, at which time the contractor's EEO policy and its implementation will be reviewed and explained. The meetings will be conducted by the EEO Officer.

b. All new supervisory or personnel office employees will be given a thorough indoctrination by the EEO Officer, covering all major aspects of the contractor's EEO obligations within thirty days following their reporting for duty with the contractor.

c. All personnel who are engaged in direct recruitment for the project will be instructed by the EEO Officer in the contractor's procedures for locating and hiring minorities and women.

d. Notices and posters setting forth the contractor's EEO policy will be placed in areas readily accessible to employees, applicants for employment and potential employees.

e. The contractor's EEO policy and the procedures to implement such policy will be brought to the attention of employees by means of meetings, employee handbooks, or other appropriate means.

4. Recruitment: When advertising for employees, the contractor will include in all advertisements for employees the notation: "An Equal Opportunity Employer." All such advertisements will be placed in publications having a large circulation among minorities and women in the area from which the project work force would normally be derived.

a. The contractor will, unless precluded by a valid bargaining agreement, conduct systematic and direct recruitment through public and private employee referral sources likely to yield qualified minorities and women. To meet this requirement, the contractor will identify sources of potential minority group employees, and establish with such identified sources procedures whereby minority and women applicants may be referred to the contractor for employment consideration.

b. In the event the contractor has a valid bargaining agreement providing for exclusive hiring hall referrals, the contractor is expected to observe the provisions of that agreement to the extent that the system meets the contractor's compliance with EEO contract provisions. Where implementation of such an agreement has the effect of discriminating against minorities or women, or obligates the contractor to do the same, such implementation violates Federal nondiscrimination provisions.

c. The contractor will encourage its present employees to refer minorities and women as applicants for employment. Information and procedures with regard to referring such applicants will be discussed with employees.

5. Personnel Actions: Wages, working conditions, and employee benefits shall be established and administered, and personnel actions of every type, including hiring, upgrading, promotion, transfer, demotion, layoff, and termination, shall be taken without regard to race, color, religion, sex, national origin, age or disability. The following procedures shall be followed:

a. The contractor will conduct periodic inspections of project sites to insure that working conditions and employee facilities do not indicate discriminatory treatment of project site personnel.

b. The contractor will periodically evaluate the spread of wages paid within each classification to determine any evidence of discriminatory wage practices.

c. The contractor will periodically review selected personnel actions in depth to determine whether there is evidence of discrimination. Where evidence is found, the contractor will promptly take corrective action. If the review indicates that the discrimination may extend beyond the actions reviewed, such corrective action shall include all affected persons.

d. The contractor will promptly investigate all complaints of alleged discrimination made to the contractor in connection with its obligations under this contract, will attempt to resolve such complaints, and will take appropriate corrective action within a reasonable time. If the investigation indicates that the discrimination may affect persons other than the complainant, such corrective action shall include such other persons. Upon completion of each investigation, the contractor will inform every complainant of all of their avenues of appeal.

6. Training and Promotion:

a. The contractor will assist in locating, qualifying, and increasing the skills of minorities and women who are applicants for employment or current employees. Such efforts should be aimed at developing full journey level status employees in the type of trade or job classification involved.

b. Consistent with the contractor's work force requirements and as permissible under Federal and State regulations, the contractor shall make full use of training programs, i.e., apprenticeship, and on-the-job training programs for the geographical area of contract performance. In the event a special provision for training is provided under this contract, this subparagraph will be superseded as indicated in the special provision. The contracting agency may reserve training positions for persons who receive welfare assistance in accordance with 23 U.S.C. 140(a).

c. The contractor will advise employees and applicants for employment of available training programs and entrance requirements for each.

d. The contractor will periodically review the training and promotion potential of employees who are minorities and women and will encourage eligible employees to apply for such training and promotion.

7. Unions: If the contractor relies in whole or in part upon unions as a source of employees, the contractor will use good faith efforts to obtain the cooperation of such unions to increase opportunities for minorities and women. Actions by the contractor, either directly or through a contractor's association acting as agent, will include the procedures set forth below:

a. The contractor will use good faith efforts to develop, in cooperation with the unions, joint training programs aimed toward qualifying more minorities and women for membership in the unions and increasing the skills of minorities and women so that they may qualify for higher paying employment.

b. The contractor will use good faith efforts to incorporate an EEO clause into each union agreement to the end that such union will be contractually bound to refer applicants without regard to their race, color, religion, sex, national origin, age or disability.

c. The contractor is to obtain information as to the referral practices and policies of the labor union except that to the extent such information is within the exclusive possession of the labor union and such labor union refuses to furnish such information to the contractor, the contractor shall so certify to the contracting agency and shall set forth what efforts have been made to obtain such information.

d. In the event the union is unable to provide the contractor with a reasonable flow of referrals within the time limit set forth in the collective bargaining agreement, the contractor will, through independent recruitment efforts, fill the employment vacancies without regard to race, color, religion, sex, national origin, age or disability; making full efforts to obtain qualified and/or qualifiable minorities and women. The failure of a union to provide sufficient referrals (even though it is obligated to provide exclusive referrals under the terms of a collective bargaining agreement) does not relieve the contractor from the requirements of this paragraph. In the event the union referral practice prevents the contractor from meeting the obligations pursuant to Executive Order 11246, as amended, and these special provisions, such contractor shall immediately notify the contracting agency.

8. Reasonable Accommodation for Applicants / Employees with Disabilities: The contractor must be familiar with the requirements for and comply with the Americans with Disabilities Act and all rules and regulations established there under. Employers must provide reasonable accommodation in all employment activities unless to do so would cause an undue hardship.

9. Selection of Subcontractors, Procurement of Materials and Leasing of Equipment: The contractor shall not discriminate on the grounds of race, color, religion, sex, national origin, age or disability in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The contractor shall take all necessary and reasonable steps to ensure nondiscrimination in the administration of this contract.

a. The contractor shall notify all potential subcontractors and suppliers and lessors of their EEO obligations under this contract.

b. The contractor will use good faith efforts to ensure subcontractor compliance with their EEO obligations.

10. Assurance Required by 49 CFR 26.13(b):

a. The requirements of 49 CFR Part 26 and the State DOT's U.S. DOT-approved DBE program are incorporated by reference.

b. The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the contracting agency deems appropriate.

11. Records and Reports: The contractor shall keep such records as necessary to document compliance with the EEO requirements. Such records shall be retained for a period of three years following the date of the final payment to the contractor for all contract work and shall be available at reasonable times and places for inspection by authorized representatives of the contracting agency and the FHWA.

a. The records kept by the contractor shall document the following:

(1) The number and work hours of minority and non-minority group members and women employed in each work classification on the project;

(2) The progress and efforts being made in cooperation with unions, when applicable, to increase employment opportunities for minorities and women; and

(3) The progress and efforts being made in locating, hiring, training, qualifying, and upgrading minorities and women;

b. The contractors and subcontractors will submit an annual report to the contracting agency each July for the duration of the project, indicating the number of minority, women, and non-minority group employees currently engaged in each work classification required by the contract work. This information is to be reported on Form FHWA-1391. The staffing data should represent the project work force on board in all or any part of the last payroll period preceding the end of July. If on-the-job training is being required by special provision, the contractor will be required to collect and report training data. The employment data should reflect the work force on board during all or any part of the last payroll period preceding the end of July.

III. NONSEGREGATED FACILITIES

This provision is applicable to all Federal-aid construction contracts and to all related construction subcontracts of $10,000 or more.

The contractor must ensure that facilities provided for employees are provided in such a manner that segregation on the basis of race, color, religion, sex, or national origin cannot result. The contractor may neither require such segregated use by written or oral policies nor tolerate such use by employee custom. The contractor's obligation extends further to ensure that its employees are not assigned to perform their services at any location, under the contractor's control, where the facilities are segregated. The term "facilities" includes waiting rooms, work areas, restaurants and other eating areas, time clocks, restrooms, washrooms, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing provided for employees. The contractor shall provide separate or single-user restrooms and necessary dressing or sleeping areas to assure privacy between sexes.

IV. DAVIS-BACON AND RELATED ACT PROVISIONS

This section is applicable to all Federal-aid construction projects exceeding $2,000 and to all related subcontracts and lower-tier subcontracts (regardless of subcontract size). The requirements apply to all projects located within the right-of-way of a roadway that is functionally classified as Federal-aid highway. This excludes roadways functionally classified as local roads or rural minor collectors, which are exempt. Contracting agencies may elect to apply these requirements to other projects.

The following provisions are from the U.S. Department of Labor regulations in 29 CFR 5.5 “Contract provisions and related matters” with minor revisions to conform to the FHWA-1273 format and FHWA program requirements.

1. Minimum wages

a. All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph 1.d. of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph 1.b. of this section) and the Davis-Bacon poster (WH–1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

b. (1) The contracting officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(i) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(ii) The classification is utilized in the area by the construction industry; and

(iii) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(2) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(3) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Wage and Hour Administrator for determination. The Wage and Hour Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or

will notify the contracting officer within the 30-day period that additional time is necessary.

(4) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs 1.b.(2) or 1.b.(3) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

c. Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

d. If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

2. Withholding

The contracting agency shall upon its own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract, or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the contracting agency may, after written notice to the contractor, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

3. Payrolls and basic records

a. Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

b.(1) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the contracting agency. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g. , the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH–347 is available for this purpose from the Wage and Hour Division Web site at http://www.dol.gov/esa/whd/forms/wh347instr.htm or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the contracting agency for transmission to the State DOT, the FHWA or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the contracting agency..

(2) Each payroll submitted shall be accompanied by a “Statement of Compliance,” signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(i) That the payroll for the payroll period contains the information required to be provided under §5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under §5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(ii) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(iii) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(3) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH–347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph 3.b.(2) of this section.

(4) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

c. The contractor or subcontractor shall make the records required under paragraph 3.a. of this section available for inspection, copying, or transcription by authorized representatives of the contracting agency, the State DOT, the FHWA, or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the FHWA may, after written notice to the contractor, the contracting agency or the State DOT, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

4. Apprentices and trainees

a. Apprentices (programs of the USDOL).

Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice.

The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed.

Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination.

In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

b. Trainees (programs of the USDOL).

Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration.

The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration.

Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed.

In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

c. Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

d. Apprentices and Trainees (programs of the U.S. DOT).

Apprentices and trainees working under apprenticeship and skill training programs which have been certified by the Secretary of Transportation as promoting EEO in connection with Federal-aid highway construction programs are not subject to the requirements of paragraph 4 of this Section IV. The straight time hourly wage rates for apprentices and trainees under such programs will be established by the particular programs. The ratio of apprentices and trainees to journeymen shall not be greater than permitted by the terms of the particular program.

5. Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

6. Subcontracts. The contractor or subcontractor shall insert Form FHWA-1273 in any subcontracts and also require the subcontractors to include Form FHWA-1273 in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

7. Contract termination: debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

8. Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

9. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

10. Certification of eligibility.

a. By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

b. No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

c. The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

V. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

The following clauses apply to any Federal-aid construction contract in an amount in excess of $100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by 29 CFR 5.5(a) or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

1. Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

2. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1.) of this section, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1.) of this section, in the sum of $10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1.) of this section.

3. Withholding for unpaid wages and liquidated damages. The FHWA or the contacting agency shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2.) of this section.

4. Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1.) through (4.) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1.) through (4.) of this section.

VI. SUBLETTING OR ASSIGNING THE CONTRACT

This provision is applicable to all Federal-aid construction contracts on the National Highway System.

1. The contractor shall perform with its own organization contract work amounting to not less than 30 percent (or a greater percentage if specified elsewhere in the contract) of the total original contract price, excluding any specialty items designated by the contracting agency. Specialty items may be performed by subcontract and the amount of any such specialty items performed may be deducted from the total original contract price before computing the amount of work required to be performed by the contractor's own organization (23 CFR 635.116).

a. The term “perform work with its own organization” refers to workers employed or leased by the prime contractor, and equipment owned or rented by the prime contractor, with or without operators. Such term does not include employees or equipment of a subcontractor or lower tier subcontractor, agents of the prime contractor, or any other assignees. The term may include payments for the costs of hiring leased employees from an employee leasing firm meeting all relevant Federal and State regulatory requirements. Leased employees may only be included in this term if the prime contractor meets all of the following conditions:

(1) the prime contractor maintains control over the supervision of the day-to-day activities of the leased employees;
(2) the prime contractor remains responsible for the quality of the work of the leased employees;
(3) the prime contractor retains all power to accept or exclude individual employees from work on the project; and
(4) the prime contractor remains ultimately responsible for the payment of predetermined minimum wages, the submission of payrolls, statements of compliance and all other Federal regulatory requirements.

b. "Specialty Items" shall be construed to be limited to work that requires highly specialized knowledge, abilities, or equipment not ordinarily available in the type of contracting organizations qualified and expected to bid or propose on the contract as a whole and in general are to be limited to minor components of the overall contract.

2. The contract amount upon which the requirements set forth in paragraph (1) of Section VI is computed includes the cost of material and manufactured products which are to be purchased or produced by the contractor under the contract provisions.

3. The contractor shall furnish (a) a competent superintendent or supervisor who is employed by the firm, has full authority to direct performance of the work in accordance with the contract requirements, and is in charge of all construction operations (regardless of who performs the work) and (b) such other of its own organizational resources (supervision, management, and engineering services) as the contracting officer determines is necessary to assure the performance of the contract.

4. No portion of the contract shall be sublet, assigned or otherwise disposed of except with the written consent of the contracting officer, or authorized representative, and such consent when given shall not be construed to relieve the contractor of any responsibility for the fulfillment of the contract. Written consent will be given only after the contracting agency has assured that each subcontract is evidenced in writing and that it contains all pertinent provisions and requirements of the prime contract.

5. The 30% self-performance requirement of paragraph (1) is not applicable to design-build contracts; however, contracting agencies may establish their own self-performance requirements.

VII. SAFETY: ACCIDENT PREVENTION

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

1. In the performance of this contract the contractor shall comply with all applicable Federal, State, and local laws governing safety, health, and sanitation (23 CFR 635). The contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions as it determines, or as the contracting officer may determine, to be reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of the work covered by the contract.

2. It is a condition of this contract, and shall be made a condition of each subcontract, which the contractor enters into pursuant to this contract, that the contractor and any subcontractor shall not permit any employee, in performance of the contract, to work in surroundings or under conditions which are unsanitary, hazardous or dangerous to his/her health or safety, as determined under construction safety and health standards (29 CFR 1926) promulgated by the Secretary of Labor, in accordance with Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3704).

3. Pursuant to 29 CFR 1926.3, it is a condition of this contract that the Secretary of Labor or authorized representative thereof, shall have right of entry to any site of contract performance to inspect or investigate the matter of compliance with the construction safety and health standards and to carry out the duties of the Secretary under Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C.3704).

VIII. FALSE STATEMENTS CONCERNING HIGHWAY PROJECTS

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

In order to assure high quality and durable construction in conformity with approved plans and specifications and a high degree of reliability on statements and representations made by engineers, contractors, suppliers, and workers on Federal-aid highway projects, it is essential that all persons concerned with the project perform their functions as carefully, thoroughly, and honestly as possible. Willful falsification, distortion, or misrepresentation with respect to any facts related to the project is a violation of Federal law. To prevent any misunderstanding regarding the seriousness of these and similar acts, Form FHWA-1022 shall be posted on each Federal-aid highway project (23 CFR 635) in one or more places where it is readily available to all persons concerned with the project:

18 U.S.C. 1020 reads as follows:

"Whoever, being an officer, agent, or employee of the United States, or of any State or Territory, or whoever, whether a person, association, firm, or corporation, knowingly makes any false statement, false representation, or false report as to the character, quality, quantity, or cost of the material used or to be used, or the quantity or quality of the work performed or to be performed, or the cost thereof in connection with the submission of plans, maps, specifications, contracts, or costs of construction on any highway or related project submitted for approval to the Secretary of Transportation; or

Whoever knowingly makes any false statement, false representation, false report or false claim with respect to the character, quality, quantity, or cost of any work performed or to be performed, or materials furnished or to be furnished, in connection with the construction of any highway or related project approved by the Secretary of Transportation; or

Whoever knowingly makes any false statement or false representation as to material fact in any statement, certificate, or report submitted pursuant to provisions of the Federal-aid Roads Act approved July 1, 1916, (39 Stat. 355), as amended and supplemented;

Shall be fined under this title or imprisoned not more than 5 years or both."

IX. IMPLEMENTATION OF CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

By submission of this bid/proposal or the execution of this contract, or subcontract, as appropriate, the bidder, proposer, Federal-aid construction contractor, or subcontractor, as appropriate, will be deemed to have stipulated as follows:

1. That any person who is or will be utilized in the performance of this contract is not prohibited from receiving an award due to a violation of Section 508 of the Clean Water Act or Section 306 of the Clean Air Act.
2. That the contractor agrees to include or cause to be included the requirements of paragraph (1) of this Section X in every subcontract, and further agrees to take such action as the contracting agency may direct as a means of enforcing such requirements.

X. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION

This provision is applicable to all Federal-aid construction contracts, design-build contracts, subcontracts, lower-tier subcontracts, purchase orders, lease agreements, consultant contracts or any other covered transaction requiring FHWA approval or that is estimated to cost $25,000 or more – as defined in 2 CFR Parts 180 and 1200.

1**. Instructions for Certification – First Tier Participants:**

a. By signing and submitting this proposal, the prospective first tier participant is providing the certification set out below.

b. The inability of a person to provide the certification set out below will not necessarily result in denial of participation in this covered transaction. The prospective first tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective first tier participant to furnish a certification or an explanation shall disqualify such a person from participation in this transaction.

c. The certification in this clause is a material representation of fact upon which reliance was placed when the contracting agency determined to enter into this transaction. If it is later determined that the prospective participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the contracting agency may terminate this transaction for cause of default.

d. The prospective first tier participant shall provide immediate written notice to the contracting agency to whom this proposal is submitted if any time the prospective first tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

e. The terms "covered transaction," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 CFR Parts 180 and 1200. "First Tier Covered Transactions" refers to any covered transaction between a grantee or subgrantee of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a grantee or subgrantee of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

f. The prospective first tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

g. The prospective first tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions," provided by the department or contracting agency, entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the $25,000 threshold.

h. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the Excluded Parties List System website (https://www.epls.gov/), which is compiled by the General Services Administration.

i. Nothing contained in the foregoing shall be construed to require the establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of the prospective participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

j. Except for transactions authorized under paragraph (f) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

* * * * *

2. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – First Tier Participants:

a. The prospective first tier participant certifies to the best of its knowledge and belief, that it and its principals:

(1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;

(2) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (a)(2) of this certification; and

(4) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

b. Where the prospective participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

2. **Instructions for Certification - Lower Tier Participants:**

(Applicable to all subcontracts, purchase orders and other lower tier transactions requiring prior FHWA approval or estimated to cost $25,000 or more - 2 CFR Parts 180 and 1200)

a. By signing and submitting this proposal, the prospective lower tier is providing the certification set out below.

b. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department, or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

c. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous by reason of changed circumstances.

d. The terms "covered transaction," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 CFR Parts 180 and 1200. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations. "First Tier Covered Transactions" refers to any covered transaction between a grantee or subgrantee of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a grantee or subgrantee of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

e. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

f. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the $25,000 threshold.

g. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the Excluded Parties List System website (https://www.epls.gov/), which is compiled by the General Services Administration.

h. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

i. Except for transactions authorized under paragraph e of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

* * * * *

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Participants:

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

* * * * *

XI. CERTIFICATION REGARDING USE OF CONTRACT FUNDS FOR LOBBYING

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts which exceed $100,000 (49 CFR 20).

1. The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

2. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

3. The prospective participant also agrees by submitting its bid or proposal that the participant shall require that the language of this certification be included in all lower tier subcontracts, which exceed $100,000 and that all such recipients shall certify and disclose accordingly.

ATTACHMENT A - EMPLOYMENT AND MATERIALS PREFERENCE FOR APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM OR APPALACHIAN LOCAL ACCESS ROAD CONTRACTS

This provision is applicable to all Federal-aid projects funded under the Appalachian Regional Development Act of 1965.

1. During the performance of this contract, the contractor undertaking to do work which is, or reasonably may be, done as on-site work, shall give preference to qualified persons who regularly reside in the labor area as designated by the DOL wherein the contract work is situated, or the subregion, or the Appalachian counties of the State wherein the contract work is situated, except:

a. To the extent that qualified persons regularly residing in the area are not available.

b. For the reasonable needs of the contractor to employ supervisory or specially experienced personnel necessary to assure an efficient execution of the contract work.

c. For the obligation of the contractor to offer employment to present or former employees as the result of a lawful collective bargaining contract, provided that the number of nonresident persons employed under this subparagraph (1c) shall not exceed 20 percent of the total number of employees employed by the contractor on the contract work, except as provided in subparagraph (4) below.

2. The contractor shall place a job order with the State Employment Service indicating (a) the classifications of the laborers, mechanics and other employees required to perform the contract work, (b) the number of employees required in each classification, (c) the date on which the participant estimates such employees will be required, and (d) any other pertinent information required by the State Employment Service to complete the job order form. The job order may be placed with the State Employment Service in writing or by telephone. If during the course of the contract work, the information submitted by the contractor in the original job order is substantially modified, the participant shall promptly notify the State Employment Service.

3. The contractor shall give full consideration to all qualified job applicants referred to him by the State Employment Service. The contractor is not required to grant employment to any job applicants who, in his opinion, are not qualified to perform the classification of work required.

4. If, within one week following the placing of a job order by the contractor with the State Employment Service, the State Employment Service is unable to refer any qualified job applicants to the contractor, or less than the number requested, the State Employment Service will forward a certificate to the contractor indicating the unavailability of applicants. Such certificate shall be made a part of the contractor's permanent project records. Upon receipt of this certificate, the contractor may employ persons who do not normally reside in the labor area to fill positions covered by the certificate, notwithstanding the provisions of subparagraph (1c) above.

5. The provisions of 23 CFR 633.207(e) allow the contracting agency to provide a contractual preference for the use of mineral resource materials native to the Appalachian region.

6. The contractor shall include the provisions of Sections 1 through 4 of this Attachment A in every subcontract for work which is, or reasonably may be, done as on-site work.

City of Harrisonville est. 1836
300 E. Pearl Street, P.O. Box 367 ● Harrisonville, MO 64701●Tel: 816-380-8900 ● Fax: 816-380-8906

To: Mayor & Board of Aldermen

From: Carl Brooks, Director of Public Works (cbrooks@harrisonville.com)

Date: October 19, 2020

Re: Ordinance No. 2020-xx, Mayor & Board of Alderman (BOA) Acceptance of the MoDOT Traffic Engineering Assistance Program Agreement (Cass County), Missouri

GENERAL INFORMATION

Applicant: City Staff

Requested Actions: Approval of ordinance

Purpose: Acceptance of the MoDOT Traffic Engineering Assistance Program Grant funds for an intersection study at Locust Street and Commercial Street.

Property Location: Locust Street and Commercial Street

PROPOSAL

To accept an 80/20 engineering traffic study grant written by City staff that was submitted to MoDOT and granted. The agreement consists of a maximum grant amount of $10,000. Eighty percent of the amount would be covered by MoDOT. If the engineer's scope of services included in the grant exceeds $10,000, then the City would solely be responsible for additional funds. Presently, the City match is $2,000.

PREVIOUS ACTIONS

The City selected Affinis Corporation from a list of acceptable engineers from MoDOT's website to be the engineering consultant.

The grant application was previously submitted in 2019 to MoDOT.

KEY ISSUES

The grant requires a 20% share matching by the City, but only up to $10,000 where the City will assume to 100% responsibility.

MoDOT staff request is that the ordinance is fully executed by November 6, 2020.

STAFF COMMENTS AND SUGGESTIONS

City staff agree that the intersection study at Locust Street and Commercial Street should be completed by Affinis Corporation.

STAFF RECOMMENDATION

City staff recommends passage of this ordinance.

ATTACHMENTS

MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION TRAFFIC ENGINEERING ASSISTANCE PROGRAM AGREEMENT, TEAP037

Exhibit A, location map

Exhibit B, schedule

Ordinance 2020-xx

CFDA Number: CFDA #20.205
CFDA Title: Highway Planning and Construction
Award name/number: TEAP037
Award Year: (2021)
Federal Agency: Federal Highway Administration, Department of Transportation

CITY OF HARRISONVILLE MO
ORDINANCE NO. 2020-XX

BILL NO.________________

AN ORDINANCE OF THE HARRISONVILLE BOARD OF ALDERMEN TO AUTHORIZE THE MAYOR TO EXECUTE A CONTRACT BETWEEN THE CITY OF HARRISONVILLE, MISSOURI AND THE MISSOURI HIGHWAY AND TRANSPORTATION COMMISSION PROVIDING FOR AN INTERSECTION STUDY AT LOCUST STREET AND COMMERCIAL STREET IN THE CITY OF HARRISONVILLE.

Be it ordained by the City Council of Harrisonville, Missouri as follows:

Section 1. That the Mayor is hereby authorized to execute on behalf of the City of Harrisonville, Missouri a contract with the Missouri Highway and Transportation Commission providing for an intersection study at Locust Street and Commercial Street in the City of Harrisonville.

Section 2. That all ordinances or parts of ordinances therefore enacted which are in conflict herewith are hereby repealed.

Section 3. This ordinance shall be in full force and effect from and after the date of its passage and approval. Read two times, passed and approved on the day of October 19, 2020.

APPROVED AS TO FORM

______________________ City Attorney	______________________ Mayor
Attest:	______________________ Presiding Officer
______________________ City Clerk	______________________ Chairman of the Board

Fig. 136.3.16

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Carl Brooks,**

DATE: **October 7, 2020**

SUBJECT: **Pedestrian and Traffic Congestion Study at Matt and Meghan Streets**

Type of Item: *Approval*

To: Mayor & Board of Aldermen

From: Carl Brooks, Director of Public Works (cbrooks@harrisonville.com)

Date: October 19, 2020

Re: Ordinance No. 2020-xx, Mayor & Board of Alderman (BOA) Acceptance of the MoDOT Traffic Engineering Assistance Program Agreement (Cass County), Missouri

GENERAL INFORMATION

Applicant: City Staff

Requested Actions: Approval of ordinance

Purpose: Acceptance of the MoDOT Traffic Engineering Assistance Program Grant funds for pedestrian and traffic congestions study at Matt and Meghan Streets.

Property Location: Matt Street and Meghan Street

PROPOSAL

To accept an 80/20 engineering traffic study grant written by City staff that was submitted to MoDOT and granted. The agreement consists of a maximum grant amount of $10,000. Eighty percent of the amount would be covered by MoDOT. If the engineer's scope of services included in the grant exceeds $10,000, then the City would solely be responsible for additional funds. Presently, the City match is $2,000.

PREVIOUS ACTIONS

The City selected Affinis Corporation from a list of acceptable engineers from MoDOT's website to be the engineering consultant.

The grant application was previously submitted in 2019 to MoDOT.

KEY ISSUES

The grant requires a 20% share matching by the City, but only up to $10,000 where the City will assume to 100% responsibility.

MoDOT staff request is that the ordinance is fully executed by November 6, 2020.

STAFF COMMENTS AND SUGGESTIONS

City staff agree that the pedestrian and traffic congestion study at Matt Street and Meghan Street should be completed by Affinis Corporation.

STAFF RECOMMENDATION

City staff recommends passage of this ordinance.

ATTACHMENTS

MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION TRAFFIC ENGINEERING ASSISTANCE PROGRAM AGREEMENT, TEAP036

Exhibit A, location map

Exhibit B, schedule

Ordinance 2020-xx

F. Action Item (ID # 3643)

AN ORDINANCE OF THE HARRISONVILLE BOARD OF ALDERMEN TO AUTHORIZE THE MAYOR TO EXECUTE A CONTRACT BETWEEN THE CITY OF HARRISONVILLE, MISSOURI AND THE MISSOURI HIGHWAY AND TRANSPORTATION COMMISSION PROVIDING FOR PEDESTRIAN AND TRAFFIC CONGESTION STUDY AT MATT STREET AND MEGHAN STREET IN THE CITY OF HARRISONVILLE.

Attachments:

MoDOT TEAP Agreement 2020-08-58640 (003) (PDF)

Staff Report Harrisonville MoDOT (DOC)

TEAP Grant Ordinance 136.3.16 (1) (DOC)

CCO Form: FS26
Approved: 01/15 (MWH)
Revised: 03/17 (MWH)
Modified: 09/20 (MWH)

CFDA Number: CFDA #20.205
CFDA Title: Highway Planning and Construction
Award name/number: TEAP036
Award Year: 2021
Federal Agency: Federal Highway Administration, Department of Transportation

MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION
TRAFFIC ENGINEERING ASSISTANCE PROGRAM AGREEMENT

THIS AGREEMENT is entered into by the Missouri Highways and Transportation Commission (hereinafter, "Commission") and the City of Harrisonville (hereinafter, “City”).

WITNESSETH:

NOW, THEREFORE, in consideration of the mutual covenants, promises and representations in this Agreement, the parties agree as follows:

(1) PURPOSE: The United States Congress has authorized, in 23 U.S.C. 402, Planning and Research funds to be used for Traffic Engineering Assistance Program (TEAP) activities. The purpose of this Agreement is to grant the use of such Traffic Engineering Assistance Program funds to the City.

(2) LOCATION: The TEAP funds which are the subject of this Agreement are for the project at the following location:

Pedestrian and traffic congestion study at Matt and Meghan Streets in the City of Harrisonville

The general location of the project is shown on attachment marked "Exhibit A" and incorporated herein by reference.

(3) REASONABLE PROGRESS POLICY: The project as described in this agreement is subject to the reasonable progress policy set forth in the Local Public Agency (LPA) Manual and the final deadline specified in Exhibit B attached hereto and incorporated herein by reference. In the event, the LPA Manual and the final deadline within Exhibit B conflict, the final deadline within Exhibit B controls. If the project is withdrawn for not meeting reasonable progress, the City agrees to repay the Commission for any progress payments made to the City for the project and agrees that the Commission may deduct progress payments made to the City from future payments

to the City. The City may not be eligible for future TEAP Funds if the City does not meet the reasonable progress policy.

(4) INDEMNIFICATION:

(A) To the extent allowed or imposed by law, the City shall defend, indemnify and hold harmless the Commission, including its members and the Missouri Department of Transportation (MoDOT or Department) employees, from any claim or liability whether based on a claim for damages to real or personal property or to a person for any matter relating to or arising out of the (City's/County's/Grantee's) wrongful or negligent performance of its obligations under this Agreement.

(B) The City will require any contractor procured by the City to work under this Agreement:

1. To obtain a no cost permit from the Commission's district engineer prior to working on the Commission's right-of-way, which shall be signed by an authorized contractor representative (a permit from the Commission's district engineer will not be required for work outside of the Commission's right-of-way); and

2. To carry commercial general liability insurance and commercial automobile liability insurance from a company authorized to issue insurance in Missouri, and to name the Commission, and MoDOT and its employees, as additional named insureds in amounts sufficient to cover the sovereign immunity limits for Missouri public entities as calculated by the Missouri Department of Insurance, Financial Institutions and Professional Registration, and published annually in the Missouri Register pursuant to Section 537.610, RSMo. The City shall cause insurer to increase the insurance amounts in accordance with those published annually in the Missouri Register pursuant to Section 537.610, RSMo.

(C) In no event shall the language of this Agreement constitute or be construed as a waiver or limitation for either party's rights or defenses with regard to each party's applicable sovereign, governmental, or official immunities and protections as provided by federal and state constitution or law.

(5) AMENDMENTS: Any change in this Agreement, whether by modification or supplementation, must be accomplished by a formal contract amendment signed and approved by the duly authorized representatives of the City and the Commission.

(6) COMMISSION REPRESENTATIVE: The Commission's State Design Engineer is designated as the Commission's representative for the purpose of administering the provisions of this Agreement. The Commission's representative may designate by written notice other persons having the authority to act on behalf of the Commission in furtherance of the performance of this Agreement.

(7) NONDISCRIMINATION ASSURANCE: With regard to work under this Agreement, the City agrees as follows:

(A) Civil Rights Statutes: The City shall comply with all state and federal statutes relating to nondiscrimination, including but not limited to Title VI and Title VII of the Civil Rights Act of 1964, as amended (42 U.S.C. §2000d and §2000e, *et seq*.), as well as any applicable titles of the "Americans with Disabilities Act" (42 U.S.C. §12101, *et seq*.). In addition, if the City is providing services or operating programs on behalf of the Department or the Commission, it shall comply with all applicable provisions of Title II of the "Americans with Disabilities Act".

(B) Administrative Rules: The City shall comply with the administrative rules of the United States Department of Transportation relative to nondiscrimination in federally-assisted programs of the United States Department of Transportation (49 C.F.R. Part 21) which are herein incorporated by reference and made part of this Agreement.

(C) Nondiscrimination: The City shall not discriminate on grounds of the race, color, religion, creed, sex, disability, national origin, age or ancestry of any individual in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The City shall not participate either directly or indirectly in the discrimination prohibited by 49 C.F.R. §21.5, including employment practices.

(D) Solicitations for Subcontracts, Including Procurements of Material and Equipment: These assurances concerning nondiscrimination also apply to subcontractors and suppliers of the City. These apply to all solicitations either by competitive bidding or negotiation made by the City for work to be performed under a subcontract including procurement of materials or equipment. Each potential subcontractor or supplier shall be notified by the City of the requirements of this Agreement relative to nondiscrimination on grounds of the race, color, religion, creed, sex, disability or national origin, age or ancestry of any individual.

(E) Information and Reports: The City shall provide all information and reports required by this Agreement, or orders and instructions issued pursuant thereto, and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Commission or the United States Department of Transportation to be necessary to ascertain compliance with other contracts, orders and instructions. Where any information required of the City is in the exclusive possession of another who fails or refuses to furnish this information, the City shall so certify to the Commission or the United States Department of Transportation as appropriate and shall set forth what efforts it has made to obtain the information.

(F) Sanctions for Noncompliance: In the event the City fails to comply with the nondiscrimination provisions of this Agreement, the Commission shall impose such contract sanctions as it or the United States Department of Transportation may determine to be appropriate, including but not limited to:

1. Withholding of payments under this Agreement until the City complies; and/or

2. Cancellation, termination or suspension of this Agreement, in whole or in part, or both.

(G) Incorporation of Provisions: The City shall include the provisions of paragraph (7) of this Agreement in every subcontract, including procurements of materials and leases of equipment, unless exempted by the statutes, executive order, administrative rules or instructions issued by the Commission or the United States Department of Transportation. The City will take such action with respect to any subcontract or procurement as the Commission or the United States Department of Transportation may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that in the event the City becomes involved or is threatened with litigation with a subcontractor or supplier as a result of such direction, the City may request the United States to enter into such litigation to protect the interests of the United States.

(8) ASSIGNMENT: The City shall not assign, transfer or delegate any interest in this Agreement without the prior written consent of the Commission.

(9) LAW OF MISSOURI TO GOVERN: This Agreement shall be construed according to the laws of the State of Missouri. The City shall comply with all local, state and federal laws and regulations relating to the performance of this Agreement.

(10) CANCELLATION: The Commission may cancel this Agreement at any time for a material breach of contractual obligations by providing the City with written notice of cancellation. Should the Commission exercise its right to cancel this Agreement for such reasons, cancellation will become effective upon the date specified in the notice of cancellation sent to the City.

(11) ACCESS TO RECORDS: The City and its contractors must maintain all records relating to this Agreement, including but not limited to invoices, payrolls, etc. These records must be available at no charge to the Federal Highway Administration (FHWA) and the Commission and/or their designees or representatives during the period of this Agreement and any extension, and for a period of three (3) years after the date on which the City receives reimbursement of their final invoice from the Commission.

(12) FEDERAL-AID PROVISIONS: Because responsibility for the performance of all functions or work contemplated as part of this project is assumed by the City, and the City may elect to construct part of the improvement contemplated by this Agreement with its own forces, a copy of Section II and Section III, as contained in the United

States Department of Transportation Form Federal Highway Administration (FHWA) 1273 "Required Contract Provisions, Federal-Aid Construction Contracts," is attached and made a part of this Agreement as Exhibit C. Wherever the term "the contractor" or words of similar import appear in these sections, the term “the City” is to be substituted. The City agrees to abide by and carry out the condition and obligations of "the contractor" as stated in Section II, Equal Opportunity, and Section III, Nonsegregated Facilities, as set out in Form FHWA 1273.

(13) PLANS: The City shall prepare preliminary and final plans and specifications for the herein improvements. The plans and specifications shall be submitted to the Commission for the Commission's review and approval. The Commission has the discretion to require changes to any plans and specification prior to any approval by the Commission.

(14) REIMBURSEMENT: The cost of the contemplated improvements will be borne by the United States Government, the Commission and by the City as follows:

(A) Any federal funds for project activities shall only be available for reimbursement of eligible costs which have been incurred by City. Any costs incurred by City prior to authorization from FHWA and notification to proceed from the Commission are **not** reimbursable costs. The federal share for this project will be 80 percent not to exceed $8,000.00. The calculated federal share for seeking federal reimbursement of participating costs for the herein improvements will be determined by dividing the total federal funds applied to the project by the total participating costs. Any costs for the herein improvements which exceed any federal reimbursement or are not eligible for federal reimbursement shall be the sole responsibility of City. The Commission shall not be responsible for any costs associated with the herein improvement unless specifically identified in this Agreement or subsequent written amendments.

(15) PROGRESS PAYMENTS: The City may request progress payments be made for the herein improvements as work progresses but not more than once every two weeks. Progress payments must be submitted monthly. The City shall repay any progress payments which involve ineligible costs.

(16) PROMPT PAYMENTS: Progress invoices submitted to MoDOT for reimbursement more than thirty (30) calendar days after the date of the vendor invoice shall also include documentation that the vendor was paid in full for the work identified in the progress invoice. Examples of proof of payment may include a letter or e-mail from the vendor, lien waiver or copies of cancelled checks. Reimbursement will not be made on these submittals until proof of payment is provided. Progress invoices submitted to MoDOT for reimbursement within thirty (30) calendar days of the date on the vendor invoice will be processed for reimbursement without proof of payment to the vendor. If the City has not paid the vendor prior to receiving reimbursement, the City must pay the vendor within two (2) business days of receipt of funds from MoDOT.

(17) PERMITS: The City shall secure any necessary approvals or permits from any federal or state agency as required for the completion of the herein improvements. If this improvement is on the right of way of the Commission, the City must secure a permit from the Commission prior to the start of any work on the right of way. The permits which may be required include, but are not limited to, environmental, architectural, historical or cultural requirements of federal or state law or regulation.

(18) INSPECTION OF IMPROVEMENTS AND RECORDS: The City shall assure that representatives of the Commission and FHWA shall have the privilege of inspecting and reviewing the work being done by the City's contractor and subcontractor on the herein project. The City shall also assure that its contractor, and all subcontractors, if any, maintain all books, documents, papers and other evidence pertaining to costs incurred in connection with the TEAP Agreement, and make such materials available at such contractor's office at all reasonable times at no charge during this Agreement period, and for three (3) years from the date of final payment under this Agreement, for inspection by the Commission, FHWA or any authorized representatives of the Federal Government and the State of Missouri, and copies shall be furnished, upon request, to authorized representatives of the Commission, State, FHWA, or other Federal agencies.

(19) CREDIT FOR DONATIONS OF FUNDS, MATERIALS, OR SERVICES: A person may offer to donate funds, materials or services in connection with this project. Any donated funds, or the fair market value of any donated materials or services that are accepted and incorporated into this project shall be credited according to 23 U.S.C. §323.

(20) DISADVANTAGED BUSINESS ENTERPRISES (DBE): The Commission will advise the City of any required goals for participation by disadvantaged business enterprises (DBEs) to be included in the City's proposal for the work to be performed. The City shall submit for Commission approval a DBE goal or plan. The City shall comply with the plan or goal that is approved by the Commission and all requirements of 49 C.F.R. Part 26, as amended.

(21) VENUE: It is agreed by the parties that any action at law, suit in equity, or other judicial proceeding to enforce or construe this Agreement, or regarding its alleged breach, shall be instituted only in the Circuit Court of Cole County, Missouri.

(22) NOTICE TO BIDDERS: The City shall notify the prospective bidders that disadvantaged business enterprises shall be afforded full and affirmative opportunity to submit bids in response to the invitation and will not be discriminated against on grounds of race, color, sex, or national origin in consideration for an award.

(23) FINAL AUDIT: The Commission may, in its sole discretion, perform a final audit of project costs. The United States Government shall reimburse the City, through the Commission, any monies due. The City shall refund any overpayments as

determined by the final audit.

(24) AUDIT REQUIREMENT: If the City expend(s) seven hundred fifty thousand dollars ($750,000) or more in a year in federal financial assistance it is required to have an independent annual audit conducted in accordance with 2 CFR Part 200. A copy of the audit report shall be submitted to MoDOT within the earlier of thirty (30) days after receipt of the auditor's report(s), or nine (9) months after the end of the audit period. Subject to the requirements of 2 CFR Part 200, if the City expend(s) less than seven hundred fifty thousand dollars ($750,000) a year, the City may be exempt from auditing requirements for that year but records must be available for review or audit by applicable state and federal authorities.

(25) FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT OF 2006: The City shall comply with all reporting requirements of the Federal Funding Accountability and Transparency Act (FFATA) of 2006, as amended. This Agreement is subject to the award terms within 2 C.F.R. Part 170.

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IN WITNESS WHEREOF, the parties have entered into this Agreement on the date last written below.

Executed by the City this ____ day of ___________, 20__.

Executed by the Commission this ____ day of ________________, 20___.

MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION	CITY OF HARRISONVILLE
______________________________	By ______________________________
Title ______________________________	Title ______________________________
ATTEST:	ATTEST:
______________________________ Secretary to the Commission	By ______________________________
	Title ______________________________
Approved as to Form:	Approved as to Form:
______________________________ Commission Counsel	______________________________
	Title ___________________________
	Ordinance No ______________________

Exhibit A

Figure 1 – Matt & Meghan Streets

Exhibit B

Task	Date
Execution of Program Agreement	November 6, 2020
Approval of Engineering Services Contract	November 13, 2020
Notice to Proceed	November 20, 2020
Final Report Submittal	March 12, 2021
Final Invoice Submittal	March 31, 2021

EXHIBIT C
FHWA 1273

FHWA-1273 -- Revised May 1, 2012

REQUIRED CONTRACT PROVISIONS
FEDERAL-AID CONSTRUCTION CONTRACTS

I. GENERAL

1. Form FHWA-1273 must be physically incorporated in each construction contract funded under Title 23 (excluding emergency contracts solely intended for debris removal). The contractor (or subcontractor) must insert this form in each subcontract and further require its inclusion in all lower tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services).

The applicable requirements of Form FHWA-1273 are incorporated by reference for work done under any purchase order, rental agreement or agreement for other services. The prime contractor shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider.

Form FHWA-1273 must be included in all Federal-aid design-build contracts, in all subcontracts and in lower tier subcontracts (excluding subcontracts for design services, purchase orders, rental agreements and other agreements for supplies or services). The design-builder shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider.

Contracting agencies may reference Form FHWA-1273 in bid proposal or request for proposal documents, however, the Form FHWA-1273 must be physically incorporated (not referenced) in all contracts, subcontracts and lower-tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services related to a construction contract).

2. Subject to the applicability criteria noted in the following sections, these contract provisions shall apply to all work performed on the contract by the contractor's own organization and with the assistance of workers under the contractor's immediate superintendence and to all work performed on the contract by piecework, station work, or by subcontract.

3. A breach of any of the stipulations contained in these Required Contract Provisions may be sufficient grounds for withholding of progress payments, withholding of final payment, termination of the contract, suspension / debarment or any other action determined to be appropriate by the contracting agency and FHWA.

4. Selection of Labor: During the performance of this contract, the contractor shall not use convict labor for any purpose within the limits of a construction project on a Federal-aid highway unless it is labor performed by convicts who are on parole, supervised release, or probation. The term Federal-aid highway does not include roadways functionally classified as local roads or rural minor collectors.

II. NONDISCRIMINATION

The provisions of this section related to 23 CFR Part 230 are applicable to all Federal-aid construction contracts and to all related construction subcontracts of $10,000 or more. The provisions of 23 CFR Part 230 are not applicable to material supply, engineering, or architectural service contracts.

In addition, the contractor and all subcontractors must comply with the following policies: Executive Order 11246, 41 CFR 60, 29 CFR 1625-1627, Title 23 USC Section 140, the Rehabilitation Act of 1973, as amended (29 USC 794), Title VI of the Civil Rights Act of 1964, as amended, and related regulations including 49 CFR Parts 21, 26 and 27; and 23 CFR Parts 200, 230, and 633.

The contractor and all subcontractors must comply with: the requirements of the Equal Opportunity Clause in 41 CFR 60-1.4(b) and, for all construction contracts exceeding $10,000, the Standard Federal Equal Employment Opportunity Construction Contract Specifications in 41 CFR 60-4.3.

Note: The U.S. Department of Labor has exclusive authority to determine compliance with Executive Order 11246 and the policies of the Secretary of Labor including 41 CFR 60, and 29 CFR 1625-1627. The contracting agency and the FHWA have the authority and the responsibility to ensure compliance with Title 23 USC Section 140, the Rehabilitation Act of 1973, as amended (29 USC 794), and Title VI of the Civil Rights Act of 1964, as amended, and related regulations including 49 CFR Parts 21, 26 and 27; and 23 CFR Parts 200, 230, and 633.

The following provision is adopted from 23 CFR 230, Appendix A, with appropriate revisions to conform to the U.S. Department of Labor (US DOL) and FHWA requirements.

1. Equal Employment Opportunity: Equal employment opportunity (EEO) requirements not to discriminate and to take affirmative action to assure equal opportunity as set forth under laws, executive orders, rules, regulations (28 CFR 35, 29 CFR 1630, 29 CFR 1625-1627, 41 CFR 60 and 49 CFR 27) and orders of the Secretary of Labor as modified by the provisions prescribed herein, and imposed pursuant to 23 U.S.C. 140 shall constitute the EEO and specific affirmative action standards for the contractor's project activities under this contract. The provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) set forth under 28 CFR 35 and 29 CFR 1630 are incorporated by reference in this contract. In the execution of this contract, the contractor agrees to comply with the following minimum specific requirement activities of EEO:

a. The contractor will work with the contracting agency and the Federal Government to ensure that it has made every good faith effort to provide equal opportunity with respect to all of its terms and conditions of employment and in their review of activities under the contract.

b. The contractor will accept as its operating policy the following statement:

"It is the policy of this Company to assure that applicants are employed, and that employees are treated during employment, without regard to their race, religion, sex, color, national origin, age or disability. Such action shall include: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship, pre-apprenticeship, and/or on-the-job training."

2. EEO Officer: The contractor will designate and make known to the contracting officers an EEO Officer who will have the responsibility for and must be capable of effectively administering and promoting an active EEO program and who must be assigned adequate authority and responsibility to do so.

3. Dissemination of Policy: All members of the contractor's staff who are authorized to hire, supervise, promote, and discharge employees, or who recommend such action, or who are substantially involved in such action, will be made fully cognizant of, and will implement, the contractor's EEO policy and contractual responsibilities to provide EEO in each grade and classification of employment. To ensure that the above agreement will be met, the following actions will be taken as a minimum:

a. Periodic meetings of supervisory and personnel office employees will be conducted before the start of work and then not less often than once every six months, at which time the contractor's EEO policy and its implementation will be reviewed and explained. The meetings will be conducted by the EEO Officer.

b. All new supervisory or personnel office employees will be given a thorough indoctrination by the EEO Officer, covering all major aspects of the contractor's EEO obligations within thirty days following their reporting for duty with the contractor.

c. All personnel who are engaged in direct recruitment for the project will be instructed by the EEO Officer in the contractor's procedures for locating and hiring minorities and women.

d. Notices and posters setting forth the contractor's EEO policy will be placed in areas readily accessible to employees, applicants for employment and potential employees.

e. The contractor's EEO policy and the procedures to implement such policy will be brought to the attention of employees by means of meetings, employee handbooks, or other appropriate means.

4. Recruitment: When advertising for employees, the contractor will include in all advertisements for employees the notation: "An Equal Opportunity Employer." All such advertisements will be placed in publications having a large circulation among minorities and women in the area from which the project work force would normally be derived.

a. The contractor will, unless precluded by a valid bargaining agreement, conduct systematic and direct recruitment through public and private employee referral sources likely to yield qualified minorities and women. To meet this requirement, the contractor will identify sources of potential minority group employees, and establish with such identified sources procedures whereby minority and women applicants may be referred to the contractor for employment consideration.

b. In the event the contractor has a valid bargaining agreement providing for exclusive hiring hall referrals, the contractor is expected to observe the provisions of that agreement to the extent that the system meets the contractor's compliance with EEO contract provisions. Where implementation of such an agreement has the effect of discriminating against minorities or women, or obligates the contractor to do the same, such implementation violates Federal nondiscrimination provisions.

c. The contractor will encourage its present employees to refer minorities and women as applicants for employment. Information and procedures with regard to referring such applicants will be discussed with employees.

5. Personnel Actions: Wages, working conditions, and employee benefits shall be established and administered, and personnel actions of every type, including hiring, upgrading, promotion, transfer, demotion, layoff, and termination, shall be taken without regard to race, color, religion, sex, national origin, age or disability. The following procedures shall be followed:

a. The contractor will conduct periodic inspections of project sites to insure that working conditions and employee facilities do not indicate discriminatory treatment of project site personnel.

b. The contractor will periodically evaluate the spread of wages paid within each classification to determine any evidence of discriminatory wage practices.

c. The contractor will periodically review selected personnel actions in depth to determine whether there is evidence of discrimination. Where evidence is found, the contractor will promptly take corrective action. If the review indicates that the discrimination may extend beyond the actions reviewed, such corrective action shall include all affected persons.

d. The contractor will promptly investigate all complaints of alleged discrimination made to the contractor in connection with its obligations under this contract, will attempt to resolve such complaints, and will take appropriate corrective action within a reasonable time. If the investigation indicates that the discrimination may affect persons other than the complainant, such corrective action shall include such other persons. Upon completion of each investigation, the contractor will inform every complainant of all of their avenues of appeal.

6. Training and Promotion:

a. The contractor will assist in locating, qualifying, and increasing the skills of minorities and women who are applicants for employment or current employees. Such efforts should be aimed at developing full journey level status employees in the type of trade or job classification involved.

b. Consistent with the contractor's work force requirements and as permissible under Federal and State regulations, the contractor shall make full use of training programs, i.e., apprenticeship, and on-the-job training programs for the geographical area of contract performance. In the event a special provision for training is provided under this contract, this subparagraph will be superseded as indicated in the special provision. The contracting agency may reserve training positions for persons who receive welfare assistance in accordance with 23 U.S.C. 140(a).

c. The contractor will advise employees and applicants for employment of available training programs and entrance requirements for each.

d. The contractor will periodically review the training and promotion potential of employees who are minorities and women and will encourage eligible employees to apply for such training and promotion.

7. Unions: If the contractor relies in whole or in part upon unions as a source of employees, the contractor will use good faith efforts to obtain the cooperation of such unions to increase opportunities for minorities and women. Actions by the contractor, either directly or through a contractor's association acting as agent, will include the procedures set forth below:

a. The contractor will use good faith efforts to develop, in cooperation with the unions, joint training programs aimed toward qualifying more minorities and women for membership in the unions and increasing the skills of minorities and women so that they may qualify for higher paying employment.

b. The contractor will use good faith efforts to incorporate an EEO clause into each union agreement to the end that such union will be contractually bound to refer applicants without regard to their race, color, religion, sex, national origin, age or disability.

c. The contractor is to obtain information as to the referral practices and policies of the labor union except that to the extent such information is within the exclusive possession of the labor union and such labor union refuses to furnish such information to the contractor, the contractor shall so certify to the contracting agency and shall set forth what efforts have been made to obtain such information.

d. In the event the union is unable to provide the contractor with a reasonable flow of referrals within the time limit set forth in the collective bargaining agreement, the contractor will, through independent recruitment efforts, fill the employment vacancies without regard to race, color, religion, sex, national origin, age or disability; making full efforts to obtain qualified and/or qualifiable minorities and women. The failure of a union to provide sufficient referrals (even though it is obligated to provide exclusive referrals under the terms of a collective bargaining agreement) does not relieve the contractor from the requirements of this paragraph. In the event the union referral practice prevents the contractor from meeting the obligations pursuant to Executive Order 11246, as amended, and these special provisions, such contractor shall immediately notify the contracting agency.

8. Reasonable Accommodation for Applicants / Employees with Disabilities: The contractor must be familiar with the requirements for and comply with the Americans with Disabilities Act and all rules and regulations established there under. Employers must provide reasonable accommodation in all employment activities unless to do so would cause an undue hardship.

9. Selection of Subcontractors, Procurement of Materials and Leasing of Equipment: The contractor shall not discriminate on the grounds of race, color, religion, sex, national origin, age or disability in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The contractor shall take all necessary and reasonable steps to ensure nondiscrimination in the administration of this contract.

a. The contractor shall notify all potential subcontractors and suppliers and lessors of their EEO obligations under this contract.

b. The contractor will use good faith efforts to ensure subcontractor compliance with their EEO obligations.

10. Assurance Required by 49 CFR 26.13(b):

a. The requirements of 49 CFR Part 26 and the State DOT's U.S. DOT-approved DBE program are incorporated by reference.

b. The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the contracting agency deems appropriate.

11. Records and Reports: The contractor shall keep such records as necessary to document compliance with the EEO requirements. Such records shall be retained for a period of three years following the date of the final payment to the contractor for all contract work and shall be available at reasonable times and places for inspection by authorized representatives of the contracting agency and the FHWA.

a. The records kept by the contractor shall document the following:

(1) The number and work hours of minority and non-minority group members and women employed in each work classification on the project;

(2) The progress and efforts being made in cooperation with unions, when applicable, to increase employment opportunities for minorities and women; and

(3) The progress and efforts being made in locating, hiring, training, qualifying, and upgrading minorities and women;

b. The contractors and subcontractors will submit an annual report to the contracting agency each July for the duration of the project, indicating the number of minority, women, and non-minority group employees currently engaged in each work classification required by the contract work. This information is to be reported on Form FHWA-1391. The staffing data should represent the project work force on board in all or any part of the last payroll period preceding the end of July. If on-the-job training is being required by special provision, the contractor will be required to collect and report training data. The employment data should reflect the work force on board during all or any part of the last payroll period preceding the end of July.

III. NONSEGREGATED FACILITIES

This provision is applicable to all Federal-aid construction contracts and to all related construction subcontracts of $10,000 or more.

The contractor must ensure that facilities provided for employees are provided in such a manner that segregation on the basis of race, color, religion, sex, or national origin cannot result. The contractor may neither require such segregated use by written or oral policies nor tolerate such use by employee custom. The contractor's obligation extends further to ensure that its employees are not assigned to perform their services at any location, under the contractor's control, where the facilities are segregated. The term "facilities" includes waiting rooms, work areas, restaurants and other eating areas, time clocks, restrooms, washrooms, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing provided for employees. The contractor shall provide separate or single-user restrooms and necessary dressing or sleeping areas to assure privacy between sexes.

IV. DAVIS-BACON AND RELATED ACT PROVISIONS

This section is applicable to all Federal-aid construction projects exceeding $2,000 and to all related subcontracts and lower-tier subcontracts (regardless of subcontract size). The requirements apply to all projects located within the right-of-way of a roadway that is functionally classified as Federal-aid highway. This excludes roadways functionally classified as local roads or rural minor collectors, which are exempt. Contracting agencies may elect to apply these requirements to other projects.

The following provisions are from the U.S. Department of Labor regulations in 29 CFR 5.5 “Contract provisions and related matters” with minor revisions to conform to the FHWA-1273 format and FHWA program requirements.

1. Minimum wages

a. All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph 1.d. of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph 1.b. of this section) and the Davis-Bacon poster (WH–1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

b.(1) The contracting officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(i) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(ii) The classification is utilized in the area by the construction industry; and

(iii) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(2) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(3) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Wage and Hour Administrator for determination. The Wage and Hour Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or

will notify the contracting officer within the 30-day period that additional time is necessary.

(4) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs 1.b.(2) or 1.b.(3) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

c. Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

d. If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

2. Withholding

The contracting agency shall upon its own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract, or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the contracting agency may, after written notice to the contractor, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

3. Payrolls and basic records

a. Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

b.(1) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the contracting agency. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g. , the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH–347 is available for this purpose from the Wage and Hour Division Web site at http://www.dol.gov/esa/whd/forms/wh347instr.htm or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the contracting agency for transmission to the State DOT, the FHWA or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the contracting agency..

(2) Each payroll submitted shall be accompanied by a “Statement of Compliance,” signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(i) That the payroll for the payroll period contains the information required to be provided under §5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under §5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(ii) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(iii) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(3) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH–347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph 3.b.(2) of this section.

(4) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

c. The contractor or subcontractor shall make the records required under paragraph 3.a. of this section available for inspection, copying, or transcription by authorized representatives of the contracting agency, the State DOT, the FHWA, or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the FHWA may, after written notice to the contractor, the contracting agency or the State DOT, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

4. Apprentices and trainees

a. Apprentices (programs of the USDOL).

Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice.

The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed.

Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination.

In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

b. Trainees (programs of the USDOL).

Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration.

The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration.

Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed.

In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

c. Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

d. Apprentices and Trainees (programs of the U.S. DOT).

Apprentices and trainees working under apprenticeship and skill training programs which have been certified by the Secretary of Transportation as promoting EEO in connection with Federal-aid highway construction programs are not subject to the requirements of paragraph 4 of this Section IV. The straight time hourly wage rates for apprentices and trainees under such programs will be established by the particular programs. The ratio of apprentices and trainees to journeymen shall not be greater than permitted by the terms of the particular program.

5. Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

6. Subcontracts. The contractor or subcontractor shall insert Form FHWA-1273 in any subcontracts and also require the subcontractors to include Form FHWA-1273 in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

7. Contract termination: debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

8. Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

9. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

10. Certification of eligibility.

a. By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

b. No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

c. The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

V. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

The following clauses apply to any Federal-aid construction contract in an amount in excess of $100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by 29 CFR 5.5(a) or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

1. Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

2. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1.) of this section, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1.) of this section, in the sum of $10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1.) of this section.

3. Withholding for unpaid wages and liquidated damages. The FHWA or the contacting agency shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2.) of this section.

4. Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1.) through (4.) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1.) through (4.) of this section.

VI. SUBLETTING OR ASSIGNING THE CONTRACT

This provision is applicable to all Federal-aid construction contracts on the National Highway System.

1. The contractor shall perform with its own organization contract work amounting to not less than 30 percent (or a greater percentage if specified elsewhere in the contract) of the total original contract price, excluding any specialty items designated by the contracting agency. Specialty items may be performed by subcontract and the amount of any such specialty items performed may be deducted from the total original contract price before computing the amount of work required to be performed by the contractor's own organization (23 CFR 635.116).

a. The term "perform work with its own organization" refers to workers employed or leased by the prime contractor, and equipment owned or rented by the prime contractor, with or without operators. Such term does not include employees or equipment of a subcontractor or lower tier subcontractor, agents of the prime contractor, or any other assignees. The term may include payments for the costs of hiring leased employees from an employee leasing firm meeting all relevant Federal and State regulatory requirements. Leased employees may only be included in this term if the prime contractor meets all of the following conditions:

(1) the prime contractor maintains control over the supervision of the day-to-day activities of the leased employees;
(2) the prime contractor remains responsible for the quality of the work of the leased employees;
(3) the prime contractor retains all power to accept or exclude individual employees from work on the project; and
(4) the prime contractor remains ultimately responsible for the payment of predetermined minimum wages, the submission of payrolls, statements of compliance and all other Federal regulatory requirements.

b. "Specialty Items" shall be construed to be limited to work that requires highly specialized knowledge, abilities, or equipment not ordinarily available in the type of contracting organizations qualified and expected to bid or propose on the contract as a whole and in general are to be limited to minor components of the overall contract.

2. The contract amount upon which the requirements set forth in paragraph (1) of Section VI is computed includes the cost of material and manufactured products which are to be purchased or produced by the contractor under the contract provisions.

3. The contractor shall furnish (a) a competent superintendent or supervisor who is employed by the firm, has full authority to direct performance of the work in accordance with the contract requirements, and is in charge of all construction operations (regardless of who performs the work) and (b) such other of its own organizational resources (supervision, management, and engineering services) as the contracting officer determines is necessary to assure the performance of the contract.

4. No portion of the contract shall be sublet, assigned or otherwise disposed of except with the written consent of the contracting officer, or authorized representative, and such consent when given shall not be construed to relieve the contractor of any responsibility for the fulfillment of the contract. Written consent will be given only after the contracting agency has assured that each subcontract is evidenced in writing and that it contains all pertinent provisions and requirements of the prime contract.

5. The 30% self-performance requirement of paragraph (1) is not applicable to design-build contracts; however, contracting agencies may establish their own self-performance requirements.

VII. SAFETY: ACCIDENT PREVENTION

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

1. In the performance of this contract the contractor shall comply with all applicable Federal, State, and local laws governing safety, health, and sanitation (23 CFR 635). The contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions as it determines, or as the contracting officer may determine, to be reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of the work covered by the contract.

2. It is a condition of this contract, and shall be made a condition of each subcontract, which the contractor enters into pursuant to this contract, that the contractor and any subcontractor shall not permit any employee, in performance of the contract, to work in surroundings or under conditions which are unsanitary, hazardous or dangerous to his/her health or safety, as determined under construction safety and health standards (29 CFR 1926) promulgated by the Secretary of Labor, in accordance with Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3704).

3. Pursuant to 29 CFR 1926.3, it is a condition of this contract that the Secretary of Labor or authorized representative thereof, shall have right of entry to any site of contract performance to inspect or investigate the matter of compliance with the construction safety and health standards and to carry out the duties of the Secretary under Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C.3704).

VIII. FALSE STATEMENTS CONCERNING HIGHWAY PROJECTS

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

In order to assure high quality and durable construction in conformity with approved plans and specifications and a high degree of reliability on statements and representations made by engineers, contractors, suppliers, and workers on Federal-aid highway projects, it is essential that all persons concerned with the project perform their functions as carefully, thoroughly, and honestly as possible. Willful falsification, distortion, or misrepresentation with respect to any facts related to the project is a violation of Federal law. To prevent any misunderstanding regarding the seriousness of these and similar acts, Form FHWA-1022 shall be posted on each Federal-aid highway project (23 CFR 635) in one or more places where it is readily available to all persons concerned with the project:

18 U.S.C. 1020 reads as follows:

"Whoever, being an officer, agent, or employee of the United States, or of any State or Territory, or whoever, whether a person, association, firm, or corporation, knowingly makes any false statement, false representation, or false report as to the character, quality, quantity, or cost of the material used or to be used, or the quantity or quality of the work performed or to be performed, or the cost thereof in connection with the submission of plans, maps, specifications, contracts, or costs of construction on any highway or related project submitted for approval to the Secretary of Transportation; or

Whoever knowingly makes any false statement, false representation, false report or false claim with respect to the character, quality, quantity, or cost of any work performed or to be performed, or materials furnished or to be furnished, in connection with the construction of any highway or related project approved by the Secretary of Transportation; or

Whoever knowingly makes any false statement or false representation as to material fact in any statement, certificate, or report submitted pursuant to provisions of the Federal-aid Roads Act approved July 1, 1916, (39 Stat. 355), as amended and supplemented;

Shall be fined under this title or imprisoned not more than 5 years or both."

IX. IMPLEMENTATION OF CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

By submission of this bid/proposal or the execution of this contract, or subcontract, as appropriate, the bidder, proposer, Federal-aid construction contractor, or subcontractor, as appropriate, will be deemed to have stipulated as follows:

1. That any person who is or will be utilized in the performance of this contract is not prohibited from receiving an award due to a violation of Section 508 of the Clean Water Act or Section 306 of the Clean Air Act.
2. That the contractor agrees to include or cause to be included the requirements of paragraph (1) of this Section X in every subcontract, and further agrees to take such action as the contracting agency may direct as a means of enforcing such requirements.

X. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION

This provision is applicable to all Federal-aid construction contracts, design-build contracts, subcontracts, lower-tier subcontracts, purchase orders, lease agreements, consultant contracts or any other covered transaction requiring FHWA approval or that is estimated to cost $25,000 or more – as defined in 2 CFR Parts 180 and 1200.

1**. Instructions for Certification – First Tier Participants:**

a. By signing and submitting this proposal, the prospective first tier participant is providing the certification set out below.

b. The inability of a person to provide the certification set out below will not necessarily result in denial of participation in this covered transaction. The prospective first tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective first tier participant to furnish a certification or an explanation shall disqualify such a person from participation in this transaction.

c. The certification in this clause is a material representation of fact upon which reliance was placed when the contracting agency determined to enter into this transaction. If it is later determined that the prospective participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the contracting agency may terminate this transaction for cause of default.

d. The prospective first tier participant shall provide immediate written notice to the contracting agency to whom this proposal is submitted if any time the prospective first tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

e. The terms "covered transaction," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 CFR Parts 180 and 1200. "First Tier Covered Transactions" refers to any covered transaction between a grantee or subgrantee of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a grantee or subgrantee of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

f. The prospective first tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

g. The prospective first tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions," provided by the department or contracting agency, entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the $25,000 threshold.

h. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the Excluded Parties List System website (https://www.epls.gov/), which is compiled by the General Services Administration.

i. Nothing contained in the foregoing shall be construed to require the establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of the prospective participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

j. Except for transactions authorized under paragraph (f) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

* * * * *

2. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – First Tier Participants:

a. The prospective first tier participant certifies to the best of its knowledge and belief, that it and its principals:

(1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;

(2) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (a)(2) of this certification; and

(4) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

b. Where the prospective participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

2. **Instructions for Certification - Lower Tier Participants:**

(Applicable to all subcontracts, purchase orders and other lower tier transactions requiring prior FHWA approval or estimated to cost $25,000 or more - 2 CFR Parts 180 and 1200)

a. By signing and submitting this proposal, the prospective lower tier is providing the certification set out below.

b. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department, or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

c. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous by reason of changed circumstances.

d. The terms "covered transaction," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 CFR Parts 180 and 1200. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations. "First Tier Covered Transactions" refers to any covered transaction between a grantee or subgrantee of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a grantee or subgrantee of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

e. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

f. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the $25,000 threshold.

g. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the Excluded Parties List System website (https://www.epls.gov/), which is compiled by the General Services Administration.

h. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

i. Except for transactions authorized under paragraph e of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

* * * * *

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Participants:

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

* * * * *

XI. CERTIFICATION REGARDING USE OF CONTRACT FUNDS FOR LOBBYING

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts which exceed $100,000 (49 CFR 20).

1. The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

2. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

3. The prospective participant also agrees by submitting its bid or proposal that the participant shall require that the language of this certification be included in all lower tier subcontracts, which exceed $100,000 and that all such recipients shall certify and disclose accordingly.

ATTACHMENT A - EMPLOYMENT AND MATERIALS PREFERENCE FOR APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM OR APPALACHIAN LOCAL ACCESS ROAD CONTRACTS

This provision is applicable to all Federal-aid projects funded under the Appalachian Regional Development Act of 1965.

1. During the performance of this contract, the contractor undertaking to do work which is, or reasonably may be, done as on-site work, shall give preference to qualified persons who regularly reside in the labor area as designated by the DOL wherein the contract work is situated, or the subregion, or the Appalachian counties of the State wherein the contract work is situated, except:

a. To the extent that qualified persons regularly residing in the area are not available.

b. For the reasonable needs of the contractor to employ supervisory or specially experienced personnel necessary to assure an efficient execution of the contract work.

c. For the obligation of the contractor to offer employment to present or former employees as the result of a lawful collective bargaining contract, provided that the number of nonresident persons employed under this subparagraph (1c) shall not exceed 20 percent of the total number of employees employed by the contractor on the contract work, except as provided in subparagraph (4) below.

2. The contractor shall place a job order with the State Employment Service indicating (a) the classifications of the laborers, mechanics and other employees required to perform the contract work, (b) the number of employees required in each classification, (c) the date on which the participant estimates such employees will be required, and (d) any other pertinent information required by the State Employment Service to complete the job order form. The job order may be placed with the State Employment Service in writing or by telephone. If during the course of the contract work, the information submitted by the contractor in the original job order is substantially modified, the participant shall promptly notify the State Employment Service.

3. The contractor shall give full consideration to all qualified job applicants referred to him by the State Employment Service. The contractor is not required to grant employment to any job applicants who, in his opinion, are not qualified to perform the classification of work required.

4. If, within one week following the placing of a job order by the contractor with the State Employment Service, the State Employment Service is unable to refer any qualified job applicants to the contractor, or less than the number requested, the State Employment Service will forward a certificate to the contractor indicating the unavailability of applicants. Such certificate shall be made a part of the contractor's permanent project records. Upon receipt of this certificate, the contractor may employ persons who do not normally reside in the labor area to fill positions covered by the certificate, notwithstanding the provisions of subparagraph (1c) above.

5. The provisions of 23 CFR 633.207(e) allow the contracting agency to provide a contractual preference for the use of mineral resource materials native to the Appalachian region.

6. The contractor shall include the provisions of Sections 1 through 4 of this Attachment A in every subcontract for work which is, or reasonably may be, done as on-site work.

City of Harrisonville est. 1836
300 E. Pearl Street, P.O. Box 367 ● Harrisonville, MO 64701●Tel: 816-380-8900 ● Fax: 816-380-8906

To: Mayor & Board of Aldermen

From: Carl Brooks, Director of Public Works (cbrooks@harrisonville.com)

Date: October 19, 2020

Re: Ordinance No. 2020-xx, Mayor & Board of Alderman (BOA) Acceptance of the MoDOT Traffic Engineering Assistance Program Agreement (Cass County), Missouri

GENERAL INFORMATION

Applicant: City Staff

Requested Actions: Approval of ordinance

Purpose: Acceptance of the MoDOT Traffic Engineering Assistance Program Grant funds for pedestrian and traffic congestions study at Matt and Meghan Streets.

Property Location: Matt Street and Meghan Street

PROPOSAL

To accept an 80/20 engineering traffic study grant written by City staff that was submitted to MoDOT and granted. The agreement consists of a maximum grant amount of $10,000. Eighty percent of the amount would be covered by MoDOT. If the engineer's scope of services included in the grant exceeds $10,000, then the City would solely be responsible for additional funds. Presently, the City match is $2,000.

PREVIOUS ACTIONS

The City selected Affinis Corporation from a list of acceptable engineers from MoDOT's website to be the engineering consultant.

The grant application was previously submitted in 2019 to MoDOT.

KEY ISSUES

The grant requires a 20% share matching by the City, but only up to $10,000 where the City will assume to 100% responsibility.

MoDOT staff request is that the ordinance is fully executed by November 6, 2020.

STAFF COMMENTS AND SUGGESTIONS

City staff agree that the pedestrian and traffic congestion study at Matt Street and Meghan Street should be completed by Affinis Corporation.

STAFF RECOMMENDATION

City staff recommends passage of this ordinance.

ATTACHMENTS

MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION TRAFFIC ENGINEERING ASSISTANCE PROGRAM AGREEMENT, TEAP036

Exhibit A, location map

Exhibit B, schedule

Ordinance 2020-xx

CFDA Number: CFDA #20.205
CFDA Title: Highway Planning and Construction
Award name/number: TEAP036
Award Year: (2021)
Federal Agency: Federal Highway Administration, Department of Transportation

CITY OF HARRISONVILLE MO
ORDINANCE NO. 2020-XX

BILL NO.________________

AN ORDINANCE OF THE HARRISONVILLE BOARD OF ALDERMEN TO AUTHORIZE THE MAYOR TO EXECUTE A CONTRACT BETWEEN THE CITY OF HARRISONVILLE, MISSOURI AND THE MISSOURI HIGHWAY AND TRANSPORTATION COMMISSION PROVIDING FOR PEDESTRIAN AND TRAFFIC CONGESTION STUDY AT MATT STREET AND MEGHAN STREET IN THE CITY OF HARRISONVILLE.

Be it ordained by the City Council of Harrisonville, Missouri as follows:

Section 1. That the Mayor is hereby authorized to execute on behalf of the City of Harrisonville, Missouri a contract with the Missouri Highway and Transportation Commission providing for the pedestrian and traffic congestion study at Matt Street and Meghan Street in the City of Harrisonville.

Section 2. That all ordinances or parts of ordinances therefore enacted which are in conflict herewith are hereby repealed.

Section 3. This ordinance shall be in full force and effect from and after the date of its passage and approval. Read two times, passed and approved on the day of October 19, 2020.

APPROVED AS TO FORM

______________________ City Attorney	______________________ Mayor
Attest:	______________________ Presiding Officer
______________________ City Clerk	______________________ Chairman of the Board

Fig. 136.3.16 Revised 01-01-08

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Daniel Barnett,**

DATE: **October 14, 2020**

SUBJECT: **Certificates of Participation Ordinance**

Type of Item: *Approval*

Council Bill No.

Ordinance No.

AN ORDINANCE OF THE HARRISONVILLE BOARD OF ALDERMEN AUTHORIZING THE CITY OF HARRISONVILLE, MISSOURI, REFUNDING AND IMPROVEMENT CERTIFICATES OF PARTICIPATION, SERIES 2020 AND AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION WITH THE DELIVERY OF THE CERTIFICATES.

City of Harrisonville est. 1836

MEMO TO: Mayor, Board of Aldermen and City Administrator

FROM: Benjamin Hart, Baker Tilly Municipal Advisors

DATE: 10/19/2020

SUBJECT: Certificates of Participation 2020A/Parameters Ordinance

On August 17th staff presented a reimbursement resolution allowing the City to begin work, as necessary, on City Lake and Lake Luna and be eligible for reimbursement from the planned issuance of Certificates of Participation (COP). This action approved City staff to proceed with the $2,600,000 project presented and discussed at length on July 6.

Next During the August 17th discussion staff presented additional projects totaling $8,000,000, that is anticipated to be part of the same issuance of COPs.

The four projects we are seeking approval of for this issuance are:

1. UV Disinfection Project ($3.500m)
2. South Sewer Lift Station ($3.500m)
3. Glen Eagle Regional Detention Basin ($1.0m)

The total new money issuance is $10.6MM. As you are aware these projects were previously incorporated into the independent water and sewer rate study the Board commissioned Burns & McDonnell to prepare. As a part of utility best practices the City has this study done on a routine basis. This study is essential to sound long-range financial plan forecasting as it study's the financial impact of anticipated operating and project expenses on the rate structure for rate-payors.

In addition to these improvements City staff is bringing to the Board an opportunity to refund COP series 2012 to achieve debt savings estimated at $28,885 over the final two years of the COPs maturity.

The total issuance for this COP for consideration is a **not-to-exceed** amount of $12,800,000. In addition, this action also sets the interest rate in which the city will accept a sale at not to exceed 3.25%

ACTION REQUIRED/RECOMMENDATION

Consideration and approval of the parameter's ordinance for Certificate of Participation Series 2020A This action will allow staff to proceed with the sale and of the COPs.

MEMO:

It was recently brought to the attention of City staff that an image of a document making erroneous statements about recent Board of Aldermen decisions and plans for upcoming infrastructure improvements is being distributed via social media. The language within this document making its rounds is negligent and misleading, if not outright inaccurate.

The City strives for a complete commitment to accuracy, and transparency within our community. It is with that mission staff felt it both appropriate and necessary to provide correcting information in response to the document mentioned above.

1. In response to the opening statement, which reads: "Did you know…That in July, the City of Harrisonville Board of Aldermen voted to increase both water and sewer rates for the next five years effective immediately?
   - **In actuality: In July the Board heard a presentation regarding funding options for certain sewer projects. The Board made no decision on this action. Minutes of the meeting are on the City's website for further detail.**

   - **In August, the Harrisonville Board of Aldermen voted (6 ayes and 2 nays) to accept the results of Burns & McDonnell's water/sewer rate study. This did NOT approve any rate increases, short or long-term. This study, which is a best practice for municipally owned utilities, will be used during future budget development.**

2. In response to the statement in the opening paragraph, which reads: "This increase is to cover the cost of installing ultraviolet disinfection systems to eliminate bacteria from two wastewater treatment plants servicing Harrisonville residents, per the Missouri Department of Natural Resources.
   - **In actuality: The study includes not only the UV disinfection system but all additional projects, as well as inflation tied to normal operating costs of the sewer system as required by the Missouri Department of Natural Resources. It is not due to the planned construction of this one project.**

3. In response to: "The story doesn't end there. Mayor Judy Bowman and Brad Ratliff have expressed an interest in bundling an additional $13.6 million dollars in projects to the $4 million already approved by the Board of Alderman. These projects would also be paid through the increase in water/sewer rates by citizens of Harrisonville."

   - **At this point in time, the only projects City staff recommend moving forward with are the UV disinfection improvements, south sewer lift station, City Lake and Lake Luna repairs, and the regional detention basin. This total is not the $13.6 million mentioned above, but is estimated to be $10.6 million. Any additional projects moving forward must be considered as part of the City's five-year capital improvement plan during the budget process.**

   - **During the August meeting, mentioned in a previous bullet, the Board of Aldermen did vote (7 ayes and 1 nay) to declare their intention for financing the**

costs ($2.6 million) for a spillway replacement project at Lake Luna and a dam and spillway rehabilitation project at City Lake. Minutes of the meeting are on the City's website for further detail.

4. In response to the city of Harrisonville having $24,000,000 in reserves that could be used for projects.

- **The City does not have $24,000,000 in cash reserves. The rate study discusses an estimated $6,000,000 in cash reserves by the end of 2021. Should these cash reserves be completely depleted, the City runs the risk of a significant decrease in its credit rating and significant rate increases in order to be able to operate its utility.**

5. In the response to the allegation that the mayor is bundling $17,600,000 in projects over the next five years is inaccurate.

- **The City of Harrisonville annually considers a capital improvement plan in its public meetings where staff discusses any anticipated capital projects over the coming five-year period. The rate study ads three more years to that capital plan to project any capital needs. All of these projects included within the study are anticipated to take place over an 8-year period, not immediately. Furthermore, any projects the that City wishes to move forward with require the Board to consider not only approving the plan but approving the individual project, in the year in which it is anticipated. The reader should also be aware that all of these projects are included within the recommended rate increases. The board must weigh any rate increases against projects required to stay in compliance with the Missouri Department of Natural Resources' regulations.**

6. In response to the name listed as a Ward 1 Aldermen, which reads: "Mike Zaning".

- **In actuality, there is no Ward 1 Aldermen by this name. There is however an Aldermen by the name of Mike Zaring.**

Council Bill No. 2020 -______
Ordinance # _____

AN ORDINANCE AUTHORIZING THE CITY OF HARRISONVILLE, MISSOURI, REFUNDING AND IMPROVEMENT CERTIFICATES OF PARTICIPATION, SERIES 2020 AND AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION WITH THE DELIVERY OF THE CERTIFICATES.

WHEREAS, the City of Harrisonville, Missouri (the "City"), desires to undertake certain projects including storm water and spillway improvement projects, improvements to the City's ultraviolet treatment system and South & Main treatment plants, and construction of a retention basin (the "Project") for the City; and

WHEREAS, in order to refinance costs of certain improvements for the City, the City has previously issued its Refunding Certificates of Participation (City of Harrisonville, Missouri Projects), Series 2012 (the "Series 2012 Certificates"); and

WHEREAS, the Board of Aldermen finds and determines that it is advantageous and in the best interests of the City that the City enter into certain transactions with a bank or trust company (the "Trustee"), relating to the delivery of the City of Harrisonville, Missouri, Refunding and Improvement Certificates of Participation, Series 2020 (the "Certificates") evidencing proportionate interests in the right to receive rental payments payable pursuant to the hereinafter described Lease, for the purpose of (1) paying the costs necessary to complete the Project, (2) current refunding the outstanding principal amount of the Series 2012 Certificates (the "Refunded Certificates"), and (3) paying the costs of delivering the Certificates and the incidental costs of refunding the Refunded Certificates; and

WHEREAS, in connection with the delivery of the Certificates, the Board of Aldermen desires to authorize the execution of (a) a Trust Indenture (the "Indenture"), between the City and the Trustee to pay the costs of the Project, to refund the Refunded Certificates and to pay the costs of delivering the Certificates and the incidental costs of refunding the Refunded Certificates, (b) a Base Lease (the "Base Lease"), between the City and the Trustee, pursuant to which the City shall lease certain real estate (the "Project Site") to the Trustee, and (c) a Lease Agreement (the "Lease"), pursuant to which (i) proceeds of the Certificates will be used to provide for the Project and to refund the Refunded Certificates; (ii) the Trustee will lease the Project Site and the improvements thereon (collectively, the "Facilities") back from the Trustee for a series of one-year terms ending on the last day of the City's fiscal year, renewable by the City subject to annual budget appropriations; and (iii) the City will make rental payments to the Trustee for the use of the Facilities; and

WHEREAS, the Board of Aldermen of the City further finds and determines that it is necessary and desirable in connection with the lease of the Project Site to the Trustee, the lease of the Facilities from the Trustee and the delivery of the Certificates that the City enter into certain documents, and that the City take certain other actions and approve the execution of certain other documents as herein provided.

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

<u>SECTION 1. Approval of Delivery of the Certificates.</u> The City hereby approves the delivery by the Trustee of the Certificates for the purposes stated above. The Certificates shall be issued and secured pursuant to the herein approved Indenture. The Certificates shall be dated, shall become due in the years and in the respective principal amounts and shall bear interest and be payable as provided in the herein approved City Documents.

The Certificates shall be sold to Stifel Nicolaus & Company, Incorporated (the "Underwriter"), at the price and upon the terms and conditions set forth in the Indenture and the Lease, as approved by the signagture of the City's Mayor or City Administrator to such documents and to a closing certificate to be executed in connection with the delivery of the Certificates; provided, however, (1) the Certificates shall be issued in an aggregate principal amount not to exceed $12,800,000 shall have a final maturity not later than 2050, shall have a weighted average maturity of not less than 12 years and not more than 17 years, and shall be subject to optional prepayment prior to maturity no later than 2031. The Certificates may bear interest at fixed rates, provided that the Certificates shall have a true interest cost not to exceed 3.25%.

The Certificates shall be in such denominations, shall be in such forms, shall be subject to prepayment prior to the stated payment dates thereof, shall have such other terms and provisions, and shall be executed and delivered in such manner subject to such provisions, covenants and agreements, as are set forth in the City Documents, subject to the terms of this Ordinance.

SECTION 2. Limited Obligations. The Certificates and the interest with respect thereto shall be limited obligations, payable solely out of the rents, revenues and receipts received by the Trustee from the City pursuant to the herein authorized Lease. The Certificates and the interest with respect thereto shall not constitute a debt or liability of the City, the State of Missouri or of any political subdivision thereof, and the Certificates shall not constitute indebtedness, within the meaning of any constitutional or statutory debt limitation or restriction.

SECTION 3. Authorization of Documents. The City is hereby authorized to enter into the following documents (the "City Documents") in substantially the forms filed in the records of the City, with such changes therein as shall be approved by the officers of the City executing such documents, such officers' signatures thereon being conclusive evidence of their approval thereof:

(a) Trust Indenture between the Trustee and the City.

(b) Base Lease between the City and the Trustee.

(c) Lease Agreement between the Trustee and the City.

(d) Tax Compliance Agreement between the City and the Trustee.

(e) Continuing Disclosure Agreement between the City and the Trustee, as dissemination agent.

(f) Certificate Purchase Agreement between the City and the Underwriter (and the Trustee, if desirable).

SECTION 4. Official Statement. The draft of the Preliminary Official Statement filed in the records of the City is hereby ratified and approved, and the final Official Statement is hereby adopted by supplementing, completing and amending the Preliminary Official Statement. The Mayor or City Administrator is hereby authorized to execute the Official Statement and the Purchaser of the Certificates is hereby authorized to use the Official Statement in connection with the sale of the Certificates. For the purpose of enabling the purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission, the City hereby deems the information contained in the Preliminary Official Statement to be "final" as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1), and the appropriate officers of the City are hereby authorized, if requested, to provide the purchaser a letter or certification to such effect and to take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the purchaser to comply with the requirements of such Rule.

The City agrees to provide to the purchaser within seven business days of the sale date of the Certificates an electronic copy of the final Official Statement to enable the purchaser to comply with the requirements of Rule 15c2-12(b)(4) of the Securities and Exchange Commission and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

<u>SECTION 5. Execution of Documents.</u> The City is hereby authorized to enter into, and the Mayor and/or the City Administrator, the City Clerk, and such other officers as may be appropriate, are hereby authorized and directed to execute and deliver, for and on behalf of and as the act and deed of the City, the City Documents, and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

<u>SECTION 6. Further Authority.</u> The officers, agents and employees of the City, including the Mayor and the City Administrator, shall be, and they hereby are, authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Ordinance, and to carry out, comply with and perform the duties of the City with respect to the City Documents, to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed that they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

<u>SECTION 7. Prepayment of Refunded Certificates.</u> The City hereby approves the current refunding, defeasance and prepayment of the Refunded Certificates. The Refunded Certificates shall be called for prepayment as soon as practical.

<u>SECTION 8. Effective Date.</u> This Ordinance shall take effect and be in full force from and after its passage by the Board of Aldermen and approval by the Mayor.

VOTE TAKEN AS FOLLOWS:

AYES:
NAYES:
ABSENT:
ABSTAIN:

[remainder of page intentionally left blank]

PASSED by the Board of Aldermen, and **APPROVED** by the Mayor, of the City of Harrisonville, Missouri this 19th day of October, 2020.

____
Mayor

[SEAL]

ATTEST:

____
City Clerk

GILMORE BELL

2405 Grand Boulevard, Suite 1100
Kansas City, Missouri 64108-2521

(816) 221-1000 / (816) 221-1018 FAX / gilmorebell.com

October 14, 2020

Mayor and Board of Aldermen
City of Harrisonville, Missouri
300 E. Pearl Street
Harrisonville, Missouri 64701

Re: Not to Exceed $12,800,000 of City of Harrisonville, Missouri Refunding and Improvement Certificates of Participation, Series 2020 (the "Certificates")

Mayor and Aldermen:

Enclosed in this board packet are an ordinance authorizing the issuance of the Certificates and the documents that must be authorized for signature by City officials in order to support the issuance of the Certificates. The board packet contents are as follows:

1. Ordinance authorizing the issuance of the Certificates and the execution of documents.
2. Trust Indenture between the trustee named therein (the "Trustee") and the City, under which the Certificates will be issued.
3. Base Lease between the City and the Trustee, under which the City will lease the detention basin property, the lift station property, and the ultraviolet disinfection building property (collectively, the "Project Site") to the Trustee to secure the Certificates.
4. Lease Agreement between the Trustee and the City, under which the Trustee will lease the Project Site and the project to be funded by the Certificates, to the extent located on the Project Site (the "Facilities"), to the City for the term of the financing.
5. Tax Compliance Agreement between the City and the Trustee, under which the City agrees to the use of proceeds of the Certificates and the financed property in a manner consistent with internal revenue code requirements for tax-exempt issuances.
6. Continuing Disclosure Agreement between the City and the Trustee, as dissemination agent, under which the City agrees to disclose its audited financial statements and certain operating data on an annual basis.
7. Certificate Purchase Agreement between the City and Stifel Nicolaus & Company, Incorporated (the "Underwriter"), under which the City agrees to sell the Certificates to the Underwriter.

The purpose of issuing the Certificates is to pay the costs of storm water and sewer system projects for the City and to refinance the outstanding Refunding Certificates of Participation (City of Harrisonville, Missouri Projects), Series 2012, which refinanced the costs of community center, city hall and emergency services improvements and equipment originally acquired in 2003.

In order to stay on schedule for the issuance of the Certificates, the Board of Aldermen is requested to perform two readings of the ordinance at the meeting on October 19, 2020, in compliance with RSMO § 79.130. The ordinance authorizes the sale of the Certificates subject to certain limitations on the principal amount, interest rate and duration of the financing set out in Section 1 of the ordinance.

Very truly yours,

David S. Martin

David S. Martin

Enclosures

Council Bill No. 2020 -______
Ordinance # _____

AN ORDINANCE AUTHORIZING THE CITY OF HARRISONVILLE, MISSOURI, REFUNDING AND IMPROVEMENT CERTIFICATES OF PARTICIPATION, SERIES 2020 AND AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION WITH THE DELIVERY OF THE CERTIFICATES.

WHEREAS, the City of Harrisonville, Missouri (the "City"), desires to undertake certain projects including storm water and spillway improvement projects, improvements to the City's ultraviolet treatment system and South & Main treatment plants, and construction of a retention basin (the "Project") for the City; and

WHEREAS, in order to refinance costs of certain improvements for the City, the City has previously issued its Refunding Certificates of Participation (City of Harrisonville, Missouri Projects), Series 2012 (the "Series 2012 Certificates"); and

WHEREAS, the Board of Aldermen finds and determines that it is advantageous and in the best interests of the City that the City enter into certain transactions with a bank or trust company (the "Trustee"), relating to the delivery of the City of Harrisonville, Missouri, Refunding and Improvement Certificates of Participation, Series 2020 (the "Certificates") evidencing proportionate interests in the right to receive rental payments payable pursuant to the hereinafter described Lease, for the purpose of (1) paying the costs necessary to complete the Project, (2) current refunding the outstanding principal amount of the Series 2012 Certificates (the "Refunded Certificates"), and (3) paying the costs of delivering the Certificates and the incidental costs of refunding the Refunded Certificates; and

WHEREAS, in connection with the delivery of the Certificates, the Board of Aldermen desires to authorize the execution of (a) a Trust Indenture (the "Indenture"), between the City and the Trustee to pay the costs of the Project, to refund the Refunded Certificates and to pay the costs of delivering the Certificates and the incidental costs of refunding the Refunded Certificates, (b) a Base Lease (the "Base Lease"), between the City and the Trustee, pursuant to which the City shall lease certain real estate (the "Project Site") to the Trustee, and (c) a Lease Agreement (the "Lease"), pursuant to which (i) proceeds of the Certificates will be used to provide for the Project and to refund the Refunded Certificates; (ii) the Trustee will lease the Project Site and the improvements thereon (collectively, the "Facilities") back from the Trustee for a series of one-year terms ending on the last day of the City's fiscal year, renewable by the City subject to annual budget appropriations; and (iii) the City will make rental payments to the Trustee for the use of the Facilities; and

WHEREAS, the Board of Aldermen of the City further finds and determines that it is necessary and desirable in connection with the lease of the Project Site to the Trustee, the lease of the Facilities from the Trustee and the delivery of the Certificates that the City enter into certain documents, and that the City take certain other actions and approve the execution of certain other documents as herein provided.

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

<u>SECTION 1. Approval of Delivery of the Certificates.</u> The City hereby approves the delivery by the Trustee of the Certificates for the purposes stated above. The Certificates shall be issued and secured pursuant to the herein approved Indenture. The Certificates shall be dated, shall become due in the years and in the respective principal amounts and shall bear interest and be payable as provided in the herein approved City Documents.

The Certificates shall be sold to Stifel Nicolaus & Company, Incorporated (the "Underwriter"), at the price and upon the terms and conditions set forth in the Indenture and the Lease, as approved by the signagture of the City's Mayor or City Administrator to such documents and to a closing certificate to be executed in connection with the delivery of the Certificates; provided, however, (1) the Certificates shall be issued in an aggregate principal amount not to exceed $12,800,000 shall have a final maturity not later than 2050, shall have a weighted average maturity of not less than 12 years and not more than 17 years, and shall be subject to optional prepayment prior to maturity no later than 2031. The Certificates may bear interest at fixed rates, provided that the Certificates shall have a true interest cost not to exceed 3.25%.

The Certificates shall be in such denominations, shall be in such forms, shall be subject to prepayment prior to the stated payment dates thereof, shall have such other terms and provisions, and shall be executed and delivered in such manner subject to such provisions, covenants and agreements, as are set forth in the City Documents, subject to the terms of this Ordinance.

SECTION 2. Limited Obligations. The Certificates and the interest with respect thereto shall be limited obligations, payable solely out of the rents, revenues and receipts received by the Trustee from the City pursuant to the herein authorized Lease. The Certificates and the interest with respect thereto shall not constitute a debt or liability of the City, the State of Missouri or of any political subdivision thereof, and the Certificates shall not constitute indebtedness, within the meaning of any constitutional or statutory debt limitation or restriction.

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(c) Lease Agreement between the Trustee and the City.

(d) Tax Compliance Agreement between the City and the Trustee.

(e) Continuing Disclosure Agreement between the City and the Trustee, as dissemination agent.

(f) Certificate Purchase Agreement between the City and the Underwriter (and the Trustee, if desirable).

SECTION 4. Official Statement. The draft of the Preliminary Official Statement filed in the records of the City is hereby ratified and approved, and the final Official Statement is hereby adopted by supplementing, completing and amending the Preliminary Official Statement. The Mayor or City Administrator is hereby authorized to execute the Official Statement and the Purchaser of the Certificates is hereby authorized to use the Official Statement in connection with the sale of the Certificates. For the purpose of enabling the purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission, the City hereby deems the information contained in the Preliminary Official Statement to be "final" as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1), and the appropriate officers of the City are hereby authorized, if requested, to provide the purchaser a letter or certification to such effect and to take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the purchaser to comply with the requirements of such Rule.

The City agrees to provide to the purchaser within seven business days of the sale date of the Certificates an electronic copy of the final Official Statement to enable the purchaser to comply with the requirements of Rule 15c2-12(b)(4) of the Securities and Exchange Commission and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

SECTION 5. Execution of Documents. The City is hereby authorized to enter into, and the Mayor and/or the City Administrator, the City Clerk, and such other officers as may be appropriate, are hereby authorized and directed to execute and deliver, for and on behalf of and as the act and deed of the City, the City Documents, and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

SECTION 6. Further Authority. The officers, agents and employees of the City, including the Mayor and the City Administrator, shall be, and they hereby are, authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Ordinance, and to carry out, comply with and perform the duties of the City with respect to the City Documents, to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed that they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

SECTION 7. Prepayment of Refunded Certificates. The City hereby approves the current refunding, defeasance and prepayment of the Refunded Certificates. The Refunded Certificates shall be called for prepayment as soon as practical.

SECTION 8. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the Board of Aldermen and approval by the Mayor.

VOTE TAKEN AS FOLLOWS:

AYES:
NAYES:
ABSENT:
ABSTAIN:

[remainder of page intentionally left blank]

PASSED by the Board of Aldermen, and **APPROVED** by the Mayor, of the City of Harrisonville, Missouri this 19th day of October, 2020.

____
Mayor

[SEAL]

ATTEST:

____
City Clerk

TRUST INDENTURE

Dated as of December 1, 2020

Between

UMB BANK N.A.,
As Trustee

AND

CITY OF HARRISONVILLE, MISSOURI

Authorizing
$[Principal Amount]
CITY OF HARRISONVILLE, MISSOURI
REFUNDING AND IMPROVEMENT CERTIFICATES OF PARTICIPATION
SERIES 2020

TRUST INDENTURE

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TRUST INDENTURE

THIS TRUST INDENTURE, dated as of December 1, 2020 (the "Indenture"), between **UMB BANK N.A.**, a national banking association duly organized and existing under and by virtue of the laws of the United States of America with a corporate trust office located in Kansas City, Missouri, as Trustee (the "Trustee"), and the **CITY OF HARRISONVILLE, MISSOURI**, a fourth-class city duly organized and existing under the laws of the State of Missouri (the "City"), and

WITNESSETH:

WHEREAS, the City is authorized pursuant to the Revised Statutes of Missouri, as amended, to sell or lease any existing sites owned by the City, together with any existing buildings, structures and facilities thereon, in order to provide for the acquisition, construction, improvement, extension, repair, remodeling, renovation, furnishing and equipping of buildings and facilities thereon, and then lease or purchase such sites, buildings and facilities; and

WHEREAS, in order to refinance costs of certain improvements for the City, the City has previously issued its Refunding Certificates of Participation (City of Harrisonville, Missouri Projects), Series 2012 (the "Series 2012 Certificates"); and

WHEREAS, pursuant to an Ordinance adopted by the City on October ___, 2020, the City has been authorized to (a) enter into a Base Lease with the Trustee, dated as of the date hereof (the "Base Lease"), pursuant to which the City shall grant a leasehold interest to the Trustee for a maximum Base Lease Term ending on December 31, 2095, in certain real estate described in **Schedule 1** attached to this Indenture and any existing buildings, structures and improvements located thereon (the "Project Site"), and (b) to enter into an annually renewable Lease Agreement with the Trustee, dated as of the date hereof (the "Lease"), under which the City will (i) provide for projects (the "Project") more specifically described in **Schedule 2** attached to this Indenture to be constructed and installed on certain land (the "Project Site" and all additions, modifications, improvements, replacements and substitutions made thereon and thereto and any additional facilities installed, constructed or otherwise located on the Project Site and financed with Certificates (as hereinafter defined), including such portions of the Project as are located on the Project Site, being collectively referred to as the "Facilities") and other property of the City, (ii) current refund the outstanding principal amount of the Series 2012 Certificates (the "Refunded Certificates") and (iii) lease the Facilities from the Trustee for an initial term ending December 31, 2020 (the "Initial Term"), with successive one-year renewal options (the "Renewal Terms") exercisable by the City subject to annual budget appropriations, except that the final Renewal Term may be for a period of less than one year as provided in the Lease; and

WHEREAS, in order to provide funds to pay the costs of the Project and the costs of refunding the Refunded Certificates, the Trustee will, pursuant to this Indenture, execute and deliver the City of Harrisonville, Missouri, Refunding and Improvement Certificates of Participation, Series 2020 in the aggregate principal amount of $[Principal Amount] (the "Series 2020 Certificates"), and is authorized to execute and deliver Additional Certificates (such Additional Certificates together with the Series 2020 Certificates being collectively referred to as the "Certificates"), evidencing proportionate interests of the owners thereof in Rental Payments (as defined herein) payable pursuant to the Lease; and

WHEREAS, the City is authorized (i) to execute and deliver this Indenture for the purpose of providing for the delivery and security for the Certificates and for the purpose of providing funds to pay the costs of the Project and the costs of refunding the Refunded Certificates, (ii) to enter into the Lease, and (iii) to provide for completion of the Project and for the refunding the Refunded Certificates; and

WHEREAS, all things necessary to make the Certificates, when executed by the Trustee and delivered as provided in this Indenture, the valid and legally binding evidences of proportionate interests in the right to receive the Rental Payments, and for this Indenture to constitute a valid and legally binding pledge and assignment of the Trust Estate herein made for the payment of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates, have been done and performed, and the execution and delivery of this Indenture and the execution and delivery of the Certificates, subject to the terms of this Indenture, have in all respects been duly authorized.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

GRANTING CLAUSES

That the City, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Certificates by the Registered Owners thereof, and the sum of one dollar duly paid to the City by the Trustee, and of other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates Outstanding under this Indenture from time to time according to their tenor and effect, and to secure the performance and observance by the City of all the covenants, agreements and conditions herein and in the Base Lease and the Lease contained, does hereby transfer in trust, pledge, assign and grant a security interest unto the Trustee and its successors and assigns forever in, the property described below (said property being herein called the **"Trust Estate"**), to wit:

(a) all right, title and interest of the City in, to and under the Base Lease and the Lease, including all Rental Payments and other payments, revenues and receipts derived by the Trustee under and pursuant to and subject to the provisions of the Lease (except for the rights of the Trustee to receive money for its own account and to indemnity under the Lease and any amounts required under Section 148(f) of the Code to be paid to the United States); and

(b) all money and securities from time to time held by the Trustee under the terms of this Indenture, and any and all other real or personal property of every kind and nature from time to time hereafter, by delivery or by writing of any kind, pledged, assigned or transferred as and for additional security hereunder by or on behalf of the City, or with its written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of this Indenture.

TO HAVE AND TO HOLD, all and singular, the Trust Estate with all rights and privileges hereby pledged and assigned, or agreed or intended so to be, to the Trustee and its successors and assigns forever;

IN TRUST NEVERTHELESS, upon the terms and subject to the conditions herein set forth, for the equal and proportionate benefit, protection and security of all Registered Owners from time to time of the Certificates Outstanding under this Indenture, without preference, priority or distinction as to lien or otherwise of any Certificate over any other Certificate except as expressly provided in or permitted by this Indenture;

PROVIDED, HOWEVER, that if the City shall well and truly pay, or cause to be paid, the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by all the Certificates, at the times and in the manner mentioned in the Certificates according to the true intent and meaning thereof, or shall provide for the payment thereof (as provided in **Article XII** of this Indenture), and shall pay or cause to be paid to the Trustee all other sums of money due or to become due to it in accordance with the terms and provisions of this Indenture, then upon such final payment this Indenture and the rights hereby granted shall cease, determine and be void; otherwise, this Indenture shall be and remain in full force and effect.

THIS INDENTURE FURTHER WITNESSETH, and it is hereby expressly declared, covenanted and agreed by and between the parties hereto, that all Certificates delivered hereunder are to be authenticated and delivered and that all of the Trust Estate is to be held and applied under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the City does hereby agree and covenant with the Trustee and with the respective Registered Owners from time to time of the Certificates, as follows:

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to the words and terms defined elsewhere in this Indenture and in the Lease, the following words and terms as used in this Indenture and in the Lease shall have the following meanings:

"Additional Certificates" means any additional parity Certificates delivered pursuant to **Section 209** of this Indenture.

"Additional Payments" means the additional payments described in **Section 5.2** of the Lease.

"Authorized City Representative" means the Mayor, the City Administrator, the City Clerk or such other person at the time designated, by written certificate furnished to the Trustee, as the person or persons authorized to act on behalf of the City. Such certificate shall contain the specimen signature of such person or persons, shall be signed on behalf of the City by the Mayor and may designate an alternate or alternates.

"Base Lease" means the Base Lease dated as of December 1, 2020, between the City and the Trustee, as from time to time amended and supplemented in accordance with the provisions thereof and of **Article XII** of this Indenture.

"Business Day" means any day other than (a) a Saturday or Sunday or legal holiday or a day on which banks located in the city in which the corporate trust office of the Trustee is required or authorized by law to remain closed or (b) a day on which the Securities Depository is closed.

"Cede & Co." means Cede & Co., as nominee name of The Depository Trust Company, New York, New York, and any successor nominee of the Securities Depository with respect to the Certificates.

"Certificate Fund" means the "Certificate Fund" created in **Section 501** of this Indenture.

"Certificate Payment Date" means any date on which any amount representing the Principal Component or the Interest Component with respect to any Certificate is payable.

"Certificate Register" means the registration books kept by the Trustee to evidence the registration, transfer and exchange of Certificates.

"Certificate Registrar" means the Trustee when acting as such under this Indenture.

"Certificates" means the Series 2020 Certificates issued under this Indenture and any Additional Certificates delivered pursuant to this Indenture.

"City" means the City of Harrisonville, Missouri, a fourth-class city duly organized and existing under the laws of the State and its successors and assigns.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Treasury Department promulgated thereunder.

"Completion Certificate" means the certificate delivered to the Trustee pursuant to **Section 4.4** of the Lease and **Section 505** of this Indenture evidencing substantial completion of the Project, and acceptance of the Project by the City.

"Completion Date" means the date of completion of the acquisition, construction, improvement, furnishing and equipping of the Project established as such pursuant to **Section 4.4** of the Lease.

"Construction Contracts" means all architect's and general contractor's contracts and all prime subcontractor's contracts and purchase orders for any equipment that have been or will be entered into by the City and that will incorporate the Plans and Specifications related to the Project.

"Construction Period" means the period from the beginning of construction of the Project to the Completion Date.

"Contractor" means any contractor for the Project selected by the City, and its successors and assigns.

"Counsel" means an attorney duly admitted to practice law before the highest court of any state and, without limitation, may include legal counsel for the City or the Trustee.

"Defaulted Interest" means interest on any Certificate that is payable but not paid on the date due.

"Defeasance Obligations" means any of the following obligations:

(a) Cash.

(b) U.S. Treasury Certificates, Notes and Bonds.

(c) Direct obligations of the Treasury that have been stripped by the Treasury itself.

(d) The interest component of Resolution Funding Corporation (REFCORP) strips that have been stripped by request to the Federal Reserve Bank of New York in book-entry form.

(e) Pre-refunded municipal bonds pre-refunded with cash or United States Government Obligations.

"Escrow Agent" means UMB Bank, N.A., as escrow agent under the Escrow Agreement.

"Escrow Agreement" means the Letter of Instructions to Prepay Certificates from the City to the Escrow Agent, and relating to the refunding of the Refunded Certificates.

"Escrow Fund" means the prepayment fund established for the Series 2012 Certificates.

"Event of Default" means (a) with respect to this Indenture, any Event of Default as described in **Section 901** of this Indenture, and (b) with respect to the Lease, any Event of Default as described in **Section 12.1** of the Lease.

"Event of Nonappropriation" means a nonrenewal of the Lease by the City determined by the failure of the City to appropriate and budget, or the election of the City not to so appropriate and budget, on or before the date required by the laws of the State during the Initial Term or any Renewal Term, moneys sufficient to pay the Rental Payments and reasonably expected Additional Payments due and payable during the next Renewal Term.

"Facilities" means the Project Site, the portion of the Project installed, constructed or otherwise located on the Project Site, and all additions, modifications, improvements, replacements and substitutions made thereon and thereto, and any additional facilities financed with the Certificates and installed, constructed or otherwise located on the Project Site, as they may at any time exist.

"Fiscal Year" means the fiscal year adopted by the City for accounting purposes, which as of the execution of this Indenture commences on January 1 of each year and ends on December 31 of the following year.

"Full Insurable Value" means the actual replacement cost of the Facilities less physical depreciation and exclusive of land, excavations, footings, foundations, parking lots and other parts of the Facilities that are not insurable.

"Indenture" means this Trust Indenture dated as of December 1, 2020, as amended and supplemented from time to time by Supplemental Indentures in accordance with the provisions of **Article X** of this Indenture.

"Initial Term" means the initial term of the Lease, which begins on the effective date of the Lease and ends on the last day of the Fiscal Year in which such effective date occurs.

"Interest Component" means the Interest Component of Rental Payments as provided by **Section 5.1** of the Lease and as set forth on **Schedule 4** in the Lease.

"Lease" means the Lease Agreement dated as of December 1, 2020, between the Trustee, as lessor, and the City, as lessee, as from time to time amended and supplemented in accordance with the provisions thereof and of **Article X** of this Indenture.

"Lease Term" means the period from the effective date of the Lease until the expiration thereof which includes the Initial Term and any Renewal Term or Terms as provided in the Lease.

"Lessee" means the City when acting as the lessee under the Lease.

"Lessor" means the Trustee when acting as the lessor under the Lease.

"Mandatory Prepayment Date" means any mandatory prepayment date established pursuant to this Indenture.

"Maximum Lease Term" means the Initial Term and all Renewal Terms through the Renewal Term ending December 31, 2050 (unless otherwise provided in a Supplemental Lease).

"Moody's" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the City by notice to the Trustee.

"Net Proceeds" means the gross proceeds from any insurance or condemnation award with respect to the Facilities, less the payment of all expenses (including attorneys' fees and expenses, Trustee's fees, costs, charges and expenses, including any extraordinary expenses of the Trustee) incurred in the collection of such gross proceeds.

"Opinion of Counsel" means a written opinion of counsel to the City or the Trustee.

"Option Purchase Price" means the price as specified in **Schedule 4** attached to the Lease which the City may elect to pay to the Trustee to purchase the Facilities from the Trustee on the Optional Prepayment Date immediately following such Optional Purchase Date prior to the scheduled payment of all sums to be paid for the Facilities, all as is more particularly specified in **Schedule 4** attached to the Lease and as such **Schedule 4** may be revised hereafter in accordance with **Section 306** of this Indenture. In the event of a partial prepayment of the Certificates as provided in this Indenture, the Option Purchase Price is required to be recalculated by the Trustee and provided to and binding upon the City as more fully set forth in this Indenture or any Supplemental Indenture and in the Lease.

"Optional Prepayment Date" means any optional prepayment date established pursuant to this Indenture.

"Optional Purchase Date" means any date during the Lease Term as specified in the Lease upon which the City, pursuant to the Lease, may elect to purchase the Facilities for the then applicable Option Purchase Price.

"Outstanding" means, when used with reference to Certificates, as of any particular date of determination, all Certificates theretofore authenticated and delivered under this Indenture, except the following Certificates:

(a) Certificates theretofore canceled by the Trustee or delivered to the Trustee for cancellation;

(b) Certificates paid or deemed to be paid in accordance with the provisions of **Article XIII** of this Indenture;

(c) Certificates alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in **Section 210** of this Indenture;

(d) Certificates in exchange for or in lieu of which other Certificates have been authenticated and delivered pursuant to this Indenture; and

(e) for purposes of any consent or other action to be taken by the Registered Owners of a specified percentage of Certificates under this Indenture or the Lease, Certificates held by or for the account of the City or any person controlling, controlled by or under common control of the City.

"Participants" means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

"Paying Agent" means the Trustee and any other bank or trust company designated pursuant to this Indenture as paying agent for any series of Certificates and at which the principal, premium, if any, and interest on any such Certificates shall be payable.

"Permitted Encumbrances" means, as of any particular time (a) liens for ad valorem taxes and special assessments not then delinquent or if delinquent are being contested in accordance with the Lease, (b) this Indenture, (c) the Lease, (d) the Base Lease, (e) any and all Uniform Commercial Code Financing Statements executed to perfect any security interest created in connection with the delivery of the Certificates, (f) utility, access and other easements and rights-of-way, street dedications, mineral rights, restrictions, exceptions and encumbrances that the City certifies in writing will not materially interfere with or impair the operations being conducted on the Project Site or easements granted to the Trustee, (g) such minor defects, irregularities, encumbrances, easements, mechanic's liens, rights-of-way and clouds on title as normally exist with respect to properties similar in character to the Facilities and as do not in the aggregate materially impair the property affected thereby for the purpose for which it was acquired or is held by the Trustee or the City, and (h) items affecting the Project Site that are agreed to in writing by the Trustee (in reliance upon the written direction of the Registered Owners of not less than a majority in aggregate Principal Components of the Certificates Outstanding) and the City.

"Permitted Investments" means any of the following securities and obligations, if and to the extent the same are at the time legal for investment by the City:

(a) United States Government Obligations.

(b) bonds, notes or other obligations of the State of Missouri, or any political subdivision of the State of Missouri, that at the time of their purchase are rated in either of the two highest rating categories by a nationally recognized rating service.

(c) repurchase agreements with any bank, bank holding company, savings and loan association, trust company, or other financial institution organized under the laws of the United States or any state, that are continuously and fully secured by any one or more of the securities described in clause (a), (b) or (d) and have a market value at all times at least equal to the principal amount of such repurchase agreement and are held in a custodial or trust account for the benefit of the City.

(d) obligations of Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Corporation, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks and Farm Service Agency.

(e) certificates of deposit or time deposits, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of the United States or any state, provided that such certificates of deposit or time deposits shall be either (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by such securities as are described above in clauses (a) through (d) above, inclusive, which shall have a market value at all times at least equal to the principal amount of such certificates of deposit or time deposits.

(f) any other securities or investments that are lawful for the investment of moneys held in such funds or accounts under the laws of the State of Missouri, including money market mutual funds that invest solely in such securities as are described above in clauses (a) through (d).

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

"Plans and Specifications" means the plans and specifications prepared for and showing the Project, as amended by the City from time to time prior to the Completion Date, the same being duly certified by the Authorized City Representative, which plans and specifications are on file at the principal office of the City and shall be available for reasonable inspection by the Trustee and its duly appointed representatives.

"Prime Rate" means that rate of interest which has most recently been established by the Trustee, at its office in Kansas City, Missouri, as its prime rate, such Prime Rate to be adjusted on the effective date of any change thereof as announced from time to time by the Trustee.

"Principal Component" means the Principal Component of Rental Payments as provided by **Section 5.1** of the Lease and as set forth on **Schedule 4** attached to the Lease.

"Project" means the acquisition, construction, improvement, furnishing and equipping of the improvements described in **Schedule 2** attached to this Indenture or any Supplemental Indenture, pursuant to **Article IV** of the Lease, paid for in whole or in part from the proceeds of Certificates, and all replacements thereof and substitutions therefor made pursuant to the Lease, and all additions, alterations, modifications and improvements thereof made pursuant to the Lease, including, upon the delivery of Additional Certificates, including Project Additions financed with Additional Certificates.

"Project Additions" means all additions, improvements, extensions, alterations, expansions or modifications of the Facilities or any part thereof financed with the proceeds of Additional Certificates delivered pursuant to **Section 209** of this Indenture.

"Project Costs" means all costs of acquisition, construction, improvement, furnishing and equipping of the Project, including the following:

(a) fees and expenses of architects, appraisers, surveyors and engineers for estimates, surveys, soil borings and soil tests and other preliminary investigations and items necessary to the commencement of construction, preparation of plans, drawings and specifications and supervision of construction, as well as for the performance of all other duties of architects, appraisers, surveyors and engineers in relation to the construction of the Project or the delivery of the Certificates;

(b) all costs and expenses of every nature incurred with respect to the Project, including the actual cost of labor and materials, as payable to contractors, builders, suppliers, vendors and materialmen in connection with the acquisition, construction, improvement, furnishing and equipping of the Project;

(c) the cost of insurance policies referred to in **Article VI** of the Lease and any insurance or performance and payment bonds maintained during the Construction Period in accordance with the Lease;

(d) expenses of administration, supervision and inspection properly chargeable to the Project, underwriting expenses, legal fees and expenses, fees and expenses of accountants and other consultants, publication and printing expenses, and initial fees and expenses of the Trustee and the Paying Agent to the extent that said fees and expenses are necessary or incident to the delivery and sale of the Certificates or the acquisition, construction, improvement, furnishing and equipping of the Project;

(e) all other items of expense not elsewhere specified in this definition as may be necessary or incident to: (i) the authorization, delivery and sale of the Certificates and the incidental costs of refunding the Refunding Certificates; (ii) the acquisition, construction, improvement, furnishing and equipping of the Project; and (iii) the financing thereof (including capitalized interest, if any); and

(f) reimbursement to the City or those acting for it for any of the above enumerated costs and expenses incurred and paid by them before or after the execution of the Lease as permitted by the Code.

"Project Fund" means the **"Project Fund"** created in **Section 501** of this Indenture.

"Project Site" means the real estate described in **Schedule 1**.

"Purchaser" means the original purchaser of each series of the Certificates.

"Record Date" means the 15th day (whether or not a Business Day) of the calendar month next preceding the month in which each Certificate Payment Date occurs.

"Refunded Certificates" means the outstanding principal amount of the Series 2012 Certificates.

"Registered Owner," "Owner" or **"Certificate Owner"** when used with respect to any Certificate means the Person in whose name such Certificate is registered on the Certificate Register.

"Renewal Term" means the optional renewal terms of the Lease, each being a duration of one year and a term co-extensive with the City's Fiscal Year.

"Rental Payment Date" means during the Lease Term, any day on or prior to each Certificate Payment Date, and any other date on which any Rental Payments are payable pursuant to the Lease.

"Rental Payments" means the payments described in **Section 5.1** of the Lease.

"Replacement Certificates" means Certificates delivered to the beneficial owners of the Certificates in accordance with **Section 212(b)** of this Indenture.

"S&P" or "Standard & Poor's" means S&P Global Ratings, a separately identifiable business unit within Standard & Poor's Financial Services LLC, a Delaware limited liability company wholly owned by the McGraw-Hill Companies, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns, and if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Trustee.

"Securities Depository" means, initially, The Depository Trust Company, New York, New York, and its successors and assigns.

“Series 2012 Certificates” means the City’s Refunding Certificates of Participation (City of Harrisonville, Missouri Projects), Series 2012.

“Series 2020 Certificates” means the City’s Refunding and Improvement Certificates of Participation, Series 2020, delivered pursuant to this Indenture.

“Special Record Date” means the date fixed by the Trustee pursuant to **Section 204(d)** of this Indenture for the payment of Defaulted Interest.

“Special Counsel” means Gilmore & Bell, P.C., or any other attorney or firm of attorneys (which is mutually acceptable to the City and the Trustee) of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on obligations issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States of America.

“State” means the State of Missouri.

“Supplemental Indenture” means any indenture supplemental or amendatory to this Trust Indenture entered into by the City and the Trustee pursuant to **Article X** of this Indenture.

“Supplemental Lease” means any agreement supplemental or amendatory to the Lease entered into by the City and the Trustee pursuant to **Article XI** of this Indenture.

“Tax Compliance Agreement” means the Tax Compliance Agreement between the City and the Trustee, entered into in connection with the delivery of each series of Certificates for which the interest component of Rental Payments paid by the City and distributed to the registered owners of the Certificates is excluded from gross income for federal income tax purposes, as from time to time amended in accordance with the provisions thereof.

“Trust Estate” means the Trust Estate described in the Granting Clauses of this Indenture and in the Granting Clauses of any Supplemental Indenture.

“Trustee” means UMB Bank N.A., in Kansas City, Missouri, in its capacity as trustee hereunder, and its successor or successors and any other corporation which at the time may be substituted in its place pursuant to and at the time serving as Trustee under this Indenture.

“United States Government Obligations” means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payments on obligations issued or guaranteed by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, and such obligations are held in a custodial or trust account for the benefit of the City.

Section 102. Rules of Construction.

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

(b) All references in this Indenture to a particular article, section, other subdivision, exhibit, schedule or appendix shall be construed to be a reference to the specified article, section or other subdivision or exhibit, schedule or appendix hereto unless the context or use clearly indicates another or different meaning or interest. The words "herein," "hereof," "hereunder" and other words of similar import refer to this Indenture as a whole as this Indenture may be amended and not to any particular Article, Section or subdivision.

(c) The section and article headings are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions of this Indenture.

(d) Whenever an item or items are listed after the word "including," such listing is not intended to be a listing that excludes items not listed.

ARTICLE II

THE CERTIFICATES

Section 201. Title and Amount of Certificates. No Certificates may be delivered under this Indenture except in accordance with the provisions of this Article. The Certificates authorized to be delivered under this Indenture shall be designated as "City of Harrisonville, Missouri Certificates of Participation," with such further appropriate particular designation added to or incorporated in such title for the Certificates of any particular series as may be set forth in the provisions of this Indenture or any Supplemental Indenture authorizing such series. The initial series of Certificates will be authorized pursuant to **Section 208** of this Indenture. Additional Certificates may be delivered as provided in **Section 209** of this Indenture.

Section 202. Limited Obligations.

(a) Each Certificate shall evidence the undivided interest of the Registered Owner thereof in the rights to receive Rental Payments from the City under the Lease. The Certificates are limited obligations and are payable solely out of the Rental Payments and other payments, revenues and receipts derived under the Lease (including, in certain circumstances, Certificate proceeds and income from the temporary investment thereof and Net Proceeds), and are secured by a pledge and assignment of the Trust Estate by the Trustee in favor of the Registered Owners of the Certificates, as provided in this Indenture. Neither the Certificates nor the Rental Payments payable pursuant to the Lease shall constitute a debt or liability of the City beyond the Lease Term in effect at any time and shall not constitute a general obligation or indebtedness of the City within the meaning of any constitutional or statutory debt limitation or restriction.

(b) No provision, covenant or agreement contained in this Indenture or the Certificates, or any obligation herein or therein imposed upon the City, or any breach thereof, shall constitute or give rise to or impose upon the City a pecuniary liability or a charge upon the general credit of the City. No officer, employee, agent or board member of the Trustee or the City, nor any person executing the Certificates shall be personally liable with respect to the Certificates by reason of the delivery thereof.

Section 203. Denomination, Numbering and Dating of Certificates. Certificates shall be delivered in the form of fully registered Certificates without coupons in the denomination of $5,000 or any integral multiple thereof. The Series 2020 Certificates shall be dated and numbered as provided in **Section 208** of this Indenture. Certificates of each series of Additional Certificates shall be dated and numbered as provided in the Supplemental Indenture authorizing such series of Additional Certificates.

Section 204. Method and Place of Payment of Certificates.

(a) The Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for payment of debts due the United States of America.

(b) Amounts representing the Principal Component and premium, if any, payable with respect to the Certificates shall be payable at maturity or upon earlier prepayment by check or draft to the persons in whose names such Certificates are registered on the Certificate Register at the maturity or prepayment date thereof, upon the presentation and surrender of such Certificates at the corporate trust office of the Trustee or of any Paying Agent named in the Certificates or at such other office as the Trustee may indicate.

(c) Amounts representing the Interest Component payable with respect to each Certificate on any Certificate Payment Date shall be paid to the person in whose name such Certificate is registered at the close of business on the Record Date for such interest by check or draft mailed by the Paying Agent to such Registered Owner at the address shown on the Certificate Register. Upon the request and at the expense of any Registered Owner of Certificates representing at least $500,000 in Principal Component, payments with respect to the Certificates shall be made by electronic transfer to the bank (which shall be in the continental United States) for credit to the ABA routing number and the account name and account number designated to the Trustee by such Registered Owner no later than five Business Days preceding the Record Date.

(d) Defaulted Interest with respect to any Certificate shall cease to be payable to the Owner of such Certificate on the relevant Record Date and shall be payable to the Owner in whose name such Certificate is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed in the following manner. The City shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Certificate and the date of the proposed payment (which date shall be such as will enable the Trustee to comply with the next sentence), and shall deposit with the Trustee at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment; money deposited with the Trustee shall be held in trust for the benefit of the Owners of the Certificates entitled to such Defaulted Interest as provided in this Section. Following receipt of such funds the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment (unless the Trustee agrees to a shorter period). The Trustee shall, at the expense of the City, cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Owner of a Certificate entitled to such notice at the address of such Owner as it appears on the Certificate Register not less than 10 days prior to such Special Record Date.

Section 205. Execution of Certificates.

(a) Each Certificate shall be executed by the manual signature of an authorized signatory of the Trustee. In case any person whose signature appears on any Certificate shall cease to be an authorized signatory before the delivery of such Certificate, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such person had remained in office until delivery. Any Certificate may be signed by a person who at the actual time of the execution of such Certificate shall be a person authorized to sign such Certificate although at the date of such Certificate such person may not have been so authorized.

(b) No Certificate shall be entitled to any security or benefit under this Indenture or shall be valid or obligatory for any purpose unless and until such Certificate shall have been duly executed by the Trustee. Such execution shall be conclusive evidence that such Certificate has been duly executed and delivered under this Indenture. Any Certificate shall be deemed to have been duly executed if signed by any authorized signatory of the Trustee, but it shall not be necessary that the same signatory sign all of the Certificates of any series.

Section 206. Registration, Transfer and Exchange of Certificates.

(a) The Trustee is hereby appointed Certificate Registrar and as such shall keep a Certificate Register for the registration and for the transfer of Certificates as provided in this Indenture. Each Certificate when delivered shall be registered in the name of the Registered Owner thereof on the Certificate Register.

(b) Any Certificate may be transferred only upon the Certificate Register upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his attorney or legal representative in a form satisfactory to the Trustee. Upon any such transfer, the Trustee shall execute and deliver in exchange for such Certificate one or more new fully registered Certificates, registered in the name of the designated transferee, of any authorized denomination and of like series, maturity and aggregate stated principal amount.

(c) Any Certificate, upon surrender thereof to the Trustee, together with an assignment duly executed by the Registered Owner or his attorney or legal representative in a form satisfactory to the Trustee, may, at the option of the Registered Owner thereof, be exchanged for one or more Certificates of any authorized denomination and of like series, maturity and aggregate stated principal amount.

(d) When any Certificate is surrendered for exchange or transfer hereunder, the Trustee shall execute and deliver one or more new Certificates at the earliest practicable time in accordance with the provisions of this Indenture. All Certificates surrendered in any such exchange or transfer shall forthwith be canceled by the Trustee. The Trustee may make a charge to the Registered Owner requesting the same for every such exchange or transfer of Certificates sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or transfer, and such charge shall be paid before any such new Certificate shall be delivered. The fees and charges of the Trustee for making any transfer or exchange hereunder and the expense of any certificate printing necessary to effect such transfer or exchange shall be paid by the City as Additional Payments. In the event any Registered Owner fails to provide a correct taxpayer identification number to the Trustee, the Trustee may make a charge against such Registered Owner sufficient to pay any governmental charge required to paid as a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by the Trustee from amounts otherwise payable to such Registered Owner hereunder or with respect to the Certificates.

(e) At reasonable times and under reasonable regulations established by the Trustee, the Certificate Register may be inspected and copied by the City or the Owners (or a designated representative thereof) of 10% or more in principal amount of Certificates then Outstanding, such ownership and the authority of any such designated representative to be evidenced to the satisfaction of the Trustee.

(f) The Trustee shall not be required to register the transfer of or exchange any Certificate after notice calling such Certificate or portion thereof for prepayment has been given or during the period of fifteen days next preceding the first mailing of such notice of prepayment.

Section 207. Persons Deemed Registered Owners of Certificates. The person in whose name any Certificate shall be registered as shown on the Certificate Register shall be deemed and regarded as the absolute Registered Owner thereof for all purposes, and payment of any amount representing principal, premium, if any, or interest with respect to such Certificate shall be made only to or upon the order of the Registered Owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability represented by such Certificate to the extent of the sum or sums so paid.

Section 208. Authorization of Series 2020 Certificates.

(a) There shall be initially delivered and secured by this Indenture a series of Certificates in the aggregate principal amount of $[Principal Amount] for the purpose of providing funds to pay Project Costs (including costs of issuance and incidental costs of refunding the Refunded Certificates) and to current refund the Refunded Certificates, which series of Certificates shall be designated "City of Harrisonville, Missouri Refunding and Improvement Certificates of Participation, Series 2020" (herein called the **"Series 2020 Certificates"**). The Series 2020 Certificates shall be substantially in the form set forth in **Exhibit A** attached hereto. The Series 2020 Certificates shall be numbered from 1 consecutively upward, with the number on each Series 2020 Certificate preceded by the letter **"R"**. The Series 2020 Certificates shall be dated the date of their delivery, shall mature on November 1 in the following years and stated principal amounts (subject to prior prepayment as hereinafter provided in **Article III**), and shall evidence interests in the right to receive a proportionate share of the Rental Payments (determined by reference to such stated principal amounts with interest thereon at the following respective rates per annum):

SERIAL CERTIFICATES

Maturity November 1	Principal Amount	Interest Rate
	$	%

TERM CERTIFICATES

Maturity November 1	Principal Amount	Interest Rate
	$	%

Interest Components with respect to the Series 2020 Certificates shall be computed on the basis of a 360-day year of twelve 30-day months from the date thereof or from the most recent Certificate Payment Date to which interest has been paid or duly provided for and shall be payable semiannually on May 1 and November 1 in each year, beginning on May 1, 2021.

(b) The Trustee is hereby designated as the Paying Agent for the payment of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Series 2020 Certificates.

(c) The Series 2020 Certificates shall be delivered to the Trustee for execution substantially in the form set forth in **Article IV** together with the following items:

(1) A copy of the ordinance adopted by the Board of Aldermen of the City approving the delivery of the Series 2020 Certificates and authorizing the execution of the Base Lease, the Lease, this Indenture and the Tax Compliance Agreement;

(2) A copy of an original executed counterpart of this Indenture;

(3) A copy of an original executed counterpart of the Lease;

(4) A copy of an original executed counterpart of the Base Lease;

(5) A copy of an original executed counterpart of the Tax Compliance Agreement;

(6) A request and authorization to the Trustee on behalf of the City, executed by an Authorized City Representative, to execute the Certificates and to deliver the Certificates to or upon the order of the Purchaser upon payment of the purchase price thereof. The Trustee shall be entitled to conclusively rely upon such request and authorization as to the name of the purchaser and the amount of such purchase price;

(7) An opinion of Special Counsel to the effect that the Series 2020 Certificates represent valid and legally binding, undivided interests in the rights to receive Rental Payments from the City under the Lease, and that the Interest Component of the Rental Payments is excludable from gross income for federal income tax purposes;

(8) An ALTA owner's title insurance policy, or commitment therefor, in form and substance acceptable to the Purchaser, satisfying the requirements of **Section 3.7** of the Base Lease; and

(9) Such other certificates, statements, receipts, opinions and documents as the Trustee, the Purchaser or Special Counsel shall reasonably require for the delivery of the Series 2020 Certificates.

(d) When the documents specified in subsection (c) of this Section have been filed with the Trustee, and when the Series 2020 Certificates shall have been executed as required by this Indenture, the Trustee shall deliver the Series 2020 Certificates to or upon the order of the Purchaser upon payment of the purchase price of the Series 2020 Certificates. The net proceeds of the sale of the Series 2020 Certificates, including accrued interest and premium thereon, if any, shall be deposited and applied in accordance with **Article V** hereof.

Section 209. Authorization of Additional Certificates.

(a) Additional Certificates may be delivered under and be equally and ratably secured by this Indenture on a parity with the Series 2020 Certificates and any other Additional Certificates Outstanding, at any time and from time to time, upon compliance with the provisions of this Section, for any of the following purposes:

(1) To provide funds to pay the costs of completing the Project, the total of such costs to be evidenced by a certificate signed by an Authorized City Representative;

(2) To provide funds to pay all or any part of the costs of repairing, replacing or restoring the Project in the event of damage, destruction or condemnation thereto or thereof, but

only to the extent that such costs exceed the Net Proceeds of the insurance or condemnation awards out of which such costs are to be paid pursuant to **Article VIII** of the Lease;

(3) To provide funds to pay all or any part of the costs of acquisition, construction, furnishing and equipping of Project Additions or other facilities, all as the City may deem necessary or desirable;

(4) To provide funds for refunding all or any portion of the Certificates of any series then Outstanding, including the payment of any premium thereon and interest to accrue to the designated prepayment date and any expenses in connection with such refunding; or

(5) Any other lawful purpose for the benefit of the City.

The principal amount of any Additional Certificates may include an amount sufficient to pay the costs and expenses of delivery, a funding of a reserve account, if required, and such capitalized amounts as are permitted by law.

(b) Before any Additional Certificates shall be delivered under the provisions of this Section, the City shall adopt an ordinance (i) authorizing or approving the delivery of such Additional Certificates and fixing the amount and terms thereof and describing the purpose or purposes for which such Additional Certificates are being delivered or describing the Certificates to be refunded, (ii) authorizing or approving the execution of a Supplemental Indenture for the purpose of delivering such Additional Certificates, (iii) authorizing the execution of an amendment to the Lease to provide for Rental Payments at least sufficient to pay the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates then to be Outstanding (including the Additional Certificates to be delivered) as the same become due, (iv) authorizing the execution of an amendment to the Base Lease, if appropriate, to extend the term thereof and to add real property subject to the terms thereof, and (v) for such other matters as are appropriate because of the delivery of the Additional Certificates proposed to be delivered which, in the judgment of the City, are not to the prejudice of the City or the Registered Owners of the Certificates previously delivered.

(c) Additional Certificates shall be dated and numbered, shall be stated to mature in such year or years, shall provide for amounts representing Interest Components at such rate or rates not exceeding the maximum rate then permitted by law, and shall be prepayable at such times and prices, as may be provided by the Supplemental Indenture authorizing the delivery of such Additional Certificates. Except as to any difference in date, maturity, interest rate or prepayment provisions, such Additional Certificates shall be on a parity with and shall be entitled to the same benefit and security of this Indenture as the Series 2020 Certificates and any other Additional Certificates Outstanding after the delivery of such Additional Certificates. If such Additional Certificates are to be secured by a reserve fund, such fund shall be fully funded to any reserve requirement set at the time of delivery of such Additional Certificates.

(d) Such Additional Certificates shall be executed substantially in the form and manner set forth in this Article and **Article IV** of this Indenture**,** upon filing the following items with the Trustee:

(1) A copy of the Ordinance adopted by the Board of Aldermen of the City approving the delivery of such Additional Certificates pursuant to such Supplemental Indenture and authorizing the execution of any amendment of the Lease and/or the Base Lease;

(2) A copy of an original executed counterpart of the Supplemental Indenture providing for the delivery of the Additional Certificates;

(3) A copy of an original executed counterpart of the amendment to the Base Lease, if required, and the Lease, if required, which amendment to the Lease shall clearly establish that the City has agreed that the Additional Certificates shall constitute Certificates for the purpose of computing the required Rental Payments;

(4) A request and authorization to the Trustee, on behalf of the City, executed by an Authorized City Representative, to execute the Additional Certificates and to deliver said Additional Certificates to or upon the order of the purchaser thereof upon payment of the purchase price thereof. The Trustee shall be entitled to rely conclusively upon such request and authorization as to the name of the purchaser and the amount of such purchase price;

(5) An opinion of Special Counsel to the effect that the delivery of such Additional Certificates represent valid and legally binding proportionate interests in the rights to receive Rental Payments from the City under the Lease and, except with respect to those Certificates delivered with Interest Components which are includable in gross income for federal income tax purposes, that the delivery of such Additional Certificates will not cause the Interest Component of the Rental Payments represented by any Certificates then Outstanding (including such Additional Certificates) to become includable in gross income for federal income tax purposes;

(6) In the case of Additional Certificates being delivered to refund Outstanding Certificates, such additional documents as shall be reasonably required by the Trustee to evidence that provision has been duly made in accordance with the provisions of **Article XII** of this Indenture for the payment of all of the Certificates to be refunded;

(7) The Opinions of Counsel required by **Section 1003** and **Section 1103** of this Indenture; and

(8) Such other certificates, statements, receipts, opinions and documents as the City, the Trustee or Special Counsel shall reasonably require for the delivery of such Additional Certificates.

(e) When the documents described in subsection (d) of this Section shall have been filed with the Trustee, and when such Additional Certificates shall have been executed as required by this Indenture, the Trustee shall deliver such Additional Certificates to or upon the order of the purchaser thereof upon payment of the purchase price of such Additional Certificates. The proceeds of the sale of such Additional Certificates, except Additional Certificates delivered to refund Outstanding Certificates, including any accrued interest and premium thereon, shall be deposited in accordance with the provisions of this Indenture and as provided by the Supplemental Indenture authorizing the delivery of such Additional Certificates. The proceeds of all Additional Certificates delivered to refund Outstanding Certificates shall be deposited by the Trustee, together with other available funds, after payment or making provision for payment of all expenses incident to such financing, to the credit of a special trust fund, to be held in trust for the sole and exclusive purpose of paying the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates to be refunded, as provided in **Section 1302** of this Indenture and in the Supplemental Indenture authorizing the delivery of such Additional Certificates.

(f) Additional Certificates may be delivered without notice to or the consent of the Registered Owners of the Certificates *only* (a) if the Additional Certificates are being issued to refund Certificates in a manner that provides present value debt service savings for the City or (b) if the Additional Certificates are issued in a principal amount that, together with the outstanding principal amount of all other Certificates then Outstanding, does not exceed $__________.

Section 210. Mutilated, Lost, Stolen or Destroyed Certificates. In the event any Certificate is mutilated, lost, stolen or destroyed, the Trustee shall execute and deliver a new Certificate of like series, date and tenor as the Certificate mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Certificate, such mutilated Certificate shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Certificate, there shall be first furnished to the Trustee evidence satisfactory to the Trustee of such loss, theft or destruction, together with indemnity satisfactory to Trustee. In the event any such Certificate shall have matured or has been designated for prepayment, such Certificate may be paid without surrender thereof or delivery of a new Certificate. Upon the delivery of any substitute Certificate, the Trustee may require the payment of an amount sufficient to reimburse the Trustee for any tax or other governmental charge that may be imposed in relation thereto and any other reasonable fees and expenses incurred in connection therewith.

Section 211. Cancellation and Destruction of Certificates Upon Payment. All Certificates which have been paid or prepaid or which the Trustee has purchased or which have otherwise been surrendered to the Trustee under this Indenture, either at or before maturity, shall be canceled by the Trustee immediately upon such payment, prepayment or purchase and the surrender thereof to the Trustee. All Certificates canceled under any of the provisions of this Indenture shall be destroyed by the Trustee. The Trustee shall execute a certificate describing the Certificates so destroyed and shall file an executed counterpart of such certificate with the City.

Section 212. Certificates Delivered in Book-Entry Form.

(a) In such case, the Certificates shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive certificates representing their respective interests in the Certificates, except in the event the Certificate Registrar delivers Replacement Certificates as provided in subsection (b) of this Section. It is anticipated that during the term of the Certificates, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Certificates to the Participants until and unless the Certificate Registrar authenticates and delivers Replacement Certificates to the Beneficial Owners as described in subsection (b).

(b) (1) If the City determines (A) that the Securities Depository is unable to properly discharge its responsibilities, or (B) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (C) that the continuation of a book-entry system to the exclusion of any Certificates being delivered to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Certificates, or (2) if the Certificate Registrar receives written notice from Participants having interests in not less than 50% of the Certificates Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Certificates being delivered to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Certificates, then the Certificate Registrar shall notify the Owners of such determination or such notice and of the availability of certificates to Owners requesting the same, and the Certificate Registrar shall register in the name of and authenticate and deliver Replacement Certificates to the Beneficial Owners or their nominees in Principal Components representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued Interest Components and previous calls for prepayment; provided, that in the case of a determination under (1)(A) or (1)(B) of this subsection (b), the City, with the consent of the Certificate Registrar, may select a successor securities depository in accordance with **Section 212(c)** below to effect book-entry transfers. In such event, all references to the Securities Depository herein shall relate to the period of time when at least one Certificate is registered in the name of the Securities Depository or its nominee. Upon the delivery of Replacement Certificates, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Certificate Registrar, to the extent applicable with respect to such Replacement Certificates. If the Securities Depository resigns and the City, the Certificate Registrar or Owners are unable to locate a qualified successor of the Securities Depository in accordance with **Section 212(c)**, then the Certificate Registrar shall authenticate and cause delivery of Replacement Certificates to Owners, as provided herein. The Certificate Registrar may rely on information from the Securities Depository and its Participants as to the names and addresses of and the amounts held by the Beneficial Owners of the Certificates. The cost of printing, registration, authentication and delivery of Replacement Certificates shall be paid for by the City.

(c) In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the City may appoint a successor Securities Depository provided the Certificate Registrar and the City receive written evidence with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Certificate Registrar upon its receipt of a Certificate or Certificates for cancellation shall cause the delivery of Certificates to the successor Securities Depository in appropriate denominations and form as provided herein.

ARTICLE III

PREPAYMENT OF CERTIFICATES

Section 301. Prepayment of Certificates Generally. The Series 2020 Certificates shall be subject to prepayment prior to maturity in accordance with the terms and provisions set forth in this Article. Additional Certificates shall be subject to prepayment prior to maturity in accordance with the terms and provisions contained in this Article and as may be specified in the Supplemental Indenture authorizing such Additional Certificates.

Section 302. Prepayment of Series 2020 Certificates.

(a) ***Optional Prepayment.*** The Series 2020 Certificates are subject to prepayment on and after November 1, 20__, as a whole or in part at any time at 100% of the Principal Component represented thereby, plus the Interest Component accrued thereon to the prepayment date.

(b) ***Extraordinary Optional Prepayment.*** The Certificates shall be subject to prepayment prior to the stated maturity thereof, upon instructions from the City, in whole or in part on any date, at a prepayment price equal to 100% of the Principal Component of the Certificates to be prepaid plus Interest Component accrued thereon to the prepayment date, upon the occurrence of any of the following conditions or events:

(1) if title to, or the use for a limited period of, all or substantially all of the Facilities is condemned by any authority having the power of eminent domain (other than the City or any entity controlled by or otherwise affiliated with the City);

(2) if title to all or substantially all of the Facilities is found to be deficient or nonexistent to the extent that the efficient utilization of the Facilities by the City is impaired;

(3) if all or substantially all of the Facilities is damaged or destroyed by fire or other casualty; or

(4) if as a result of changes in the constitution of the State, or of legislative or administrative action by the State or any political subdivision thereof, or by the United States, or by reason of any action instituted in any court, the Base Lease, the Lease or this Indenture shall become void or unenforceable, or impossible of performance without unreasonable delay, or in any other way, by reason of such change of circumstances, unreasonable burdens or excessive liabilities are imposed on the City with respect to the Base Lease, the Lease or this Indenture.

(c) ***Mandatory Sinking Fund Prepayment.*** The Series 2020 Certificates or portions thereof bearing a stated maturity date of November 1, 20____ and November 1, 20____ (the "Term Certificates"), shall be subject to mandatory prepayment prior to their stated maturities at a prepayment price of 100% of the Principal Component of the Certificates so prepaid plus the Interest Component accrued thereon to the prepayment date, without premium, in the following principal amounts:

Series 2020 Term Certificates Maturing November 1, 20____

November 1	**Principal Amount**
	$
*	

.

Series 2020 Term Certificates Maturing November 1, 20____

November 1	**Principal Amount**
	$
*	

*Final Maturity

If permitted by law, moneys deposited in the Certificate Fund in excess of amounts necessary to pay amounts representing Principal Components and Interest Components with respect to the Certificates coming due on or prior to the next ensuing Certificate Payment Date may be used at any time to purchase Term Certificates in the open market, to the extent practical, at the written instruction of the City at a price not in excess of 100% of the principal amount thereof and to pay interest accrued on such Term Certificates so purchased at the specified rate thereon to the date of purchase.

At its option, to be exercised on or before the 45th day next preceding any mandatory prepayment date, the City may (i) deliver to the Trustee for cancellation Term Certificates in any aggregate principal amount desired or (ii) receive a credit in respect to the mandatory prepayment obligation provided above for the respective Term Certificates of the same maturity which prior to such date shall have been purchased or prepaid (other than through the operation of such mandatory prepayment provisions as aforesaid) and canceled by the Trustee and not theretofore applied against such mandatory prepayment obligation. Each

Term Certificate so delivered or previously purchased or prepaid as described in the immediately preceding sentence shall be credited at 100% of the principal amount thereof against the obligation to prepay Term Certificates of the same maturity on the next succeeding mandatory prepayment date pursuant to this subsection and any excess of such amount shall be credited on future mandatory prepayment obligations for Term Certificates pursuant to this subsection in chronological order. If the City intends to exercise the option granted by clauses (i) or (ii) above, the City shall, on or before the 45th day next preceding each mandatory prepayment date, furnish the Trustee a certificate signed by an Authorized City Representative indicating to what extent said provisions of clauses (i) and (ii) are to be applied in respect to such mandatory prepayment requirement and the Term Certificates to be cancelled.

Section 303. Selection of Certificates to Be Prepaid.

(a) Certificates shall be prepaid only in the principal amount of $5,000 or any integral multiple thereof. When less than all of the Outstanding Certificates of any series are to be prepaid prior to maturity (other than by mandatory sinking fund prepayment, if any), the City shall designate which maturities of such series of the Certificates shall be prepaid. Certificates to be prepaid of less than a full maturity shall be selected by the Trustee in $5,000 units of face value by lot or in such other equitable manner as the Trustee may determine.

(b) In the case of a partial prepayment of Certificates when Certificates of denominations greater than $5,000 units of face value are then Outstanding, then for all purposes in connection with such prepayment, each $5,000 unit of face value shall be treated as though it were a separate Certificate. If it is determined that one or more, but not all, of the $5,000 units of face value represented by any Certificate is selected for prepayment, then upon notice of intention to prepay such $5,000 unit or units, the Registered Owner of such Certificate or his duly authorized agent shall forthwith present and surrender such Certificate to the Trustee (1) for payment of the prepayment price (including amounts representing premium, if any, and Interest Components to the date fixed for prepayment) of the $5,000 unit or units of face value called for prepayment, and (2) for exchange, without charge to the Registered Owner thereof, for a new Certificate or Certificates of the aggregate principal amount of the unprepaid portion of the principal amount of such Certificate. If the Registered Owner of any such Certificate of a denomination greater than $5,000 fails to present such Certificate to the Trustee for payment and exchange as aforesaid, such Certificate shall, nevertheless, become due and payable on the prepayment date to the extent of the $5,000 unit or units of face value called for prepayment (and to that extent only).

Section 304. Trustee's Duty to Prepay Certificates.

(a) The Trustee shall call Certificates for prepayment and payment as herein provided and shall give notice of prepayment as provided in **Section 305** upon receipt by the Trustee at least 45 days prior to the prepayment date of a written request of the City, provided that no such request shall be required for any scheduled mandatory prepayment. Such request shall specify the principal amount of Certificates of each maturity to be called for prepayment, the applicable prepayment price or prices and the above-mentioned provision or provisions pursuant to which such Certificates are to be called for prepayment. The Trustee shall be entitled to rely conclusively on such written request in exercising its duty to give notice of the call for such prepayment as provided in **Section 305**.

(b) Reference is hereby made to **Section 5.6** of the Lease, wherein the City is given the right to direct the Trustee to prepay Certificates under certain circumstances under the foregoing provisions of this Article. The Trustee shall comply with any direction of the City given pursuant to said **Section 5.6** of the Lease upon satisfaction of the conditions specified therein precedent to the City's right to direct such a prepayment.

Section 305. Notice and Effect of Call for Prepayment. Official notice of any prepayment shall be given by the Trustee by mailing a copy of an official prepayment notice at least 30 days prior to the date fixed for prepayment by first class mail to the Purchaser of the Certificates and the Registered Owner of the Certificate or Certificates to be prepaid, unless waived by any Registered Owner thereof, at the address shown on the Certificate Register as of the date of the notice.

All official notices of prepayment shall be dated and shall state:

(1) the prepayment date,

(2) the prepayment price,

(3) if less than all Outstanding Certificates are to be prepaid, the identification number, series, maturity date (and, in the case of partial prepayment of any Certificates, the respective principal amounts) of the Certificates to be prepaid,

(4) that on the prepayment date the prepayment price will become due and payable upon each such Certificate or portion thereof called for prepayment, and that interest thereon shall cease to accrue from and after said date, and

(5) the place where such Certificates are to be surrendered for payment of the prepayment price, which place of payment shall be the corporate trust office of the Trustee or such other office as the Trustee shall designate.

With respect to optional prepayments, such notice may be conditioned upon moneys being on deposit with the Trustee on or prior to the prepayment date in an amount sufficient to pay the prepayment price on the prepayment date. If such notice is conditional and either the Trustee receives written notice from the City that moneys sufficient to pay the prepayment price will not be on deposit on the prepayment date, or such moneys are not received on the prepayment date, then such notice shall be of no force and effect, the Trustee shall not prepay such Certificates and the Trustee shall give notice, in the same manner in which the notice of prepayment was given, that such moneys were not or will not be so received and that such Certificates will not be prepaid.

The failure of any Owner of Certificates to receive notice given as provided in this Section, or any defect therein, shall not affect the validity of any proceedings for the prepayment of any Certificates.

On or prior to any prepayment date, funds shall be on deposit with the Trustee which are sufficient to pay the prepayment price of all the Certificates or portions of Certificates that are to be prepaid on that date in addition to any amounts therein required for regularly scheduled payments of amounts representing Principal and Interest Components with respect to the Certificates.

Official notice of prepayment having been given as aforesaid, the Certificates or portions of Certificates so to be prepaid shall, on the prepayment date, become due and payable at the prepayment price therein specified, and from and after such date (unless the City shall default in the payment of the prepayment price), the Registered Owners of such Certificates or portion of Certificates shall no longer be entitled to receive any additional Interest Component of the Rental Payments. Upon surrender of such Certificates for prepayment in accordance with said notice, such Certificates shall be paid by the Trustee at the prepayment price. Installments of Interest Components due on or prior to the prepayment date shall be payable as herein provided for payment of Interest Components. Upon surrender for any partial prepayment of any Certificate, there shall be prepared for the Registered Owner a new Certificate or Certificates of the same maturity in the amount of the unpaid principal. All Certificates which have been prepaid shall be canceled and destroyed by the Trustee and shall not be redelivered.

Upon the happening of the above conditions, and notice having been given as provided above, the Registered Owners of such Certificates or portion of the Principal Component with respect to the Certificates thus called for prepayment shall no longer be entitled to receive any additional Interest Component of the Rental Payments after the specified prepayment date, and such Certificates or portion of the Principal Component with respect to the Certificates thus called for prepayment shall no longer be entitled to the protection, benefit or security of this Indenture and shall not be deemed to be Outstanding under the provisions of this Indenture.

Any defect in any notice or the failure of any parties to receive any notice of prepayment shall not cause any Certificate called for prepayment to remain Outstanding.

For so long as the Securities Depository is effecting book-entry transfers of the Certificates, the Certificate Registrar shall provide the notices specified in this Section to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the beneficial owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a beneficial owner of a Certificate (having been mailed notice from the Certificate Registrar, the Securities Depository, a Participant or otherwise) to notify the beneficial owner of the Certificate so affected, shall not affect the validity of the prepayment of such Certificate.

Section 306. Revised Schedule of Rental Payments and Option Purchase Price. Upon partial prepayment of Certificates, the Trustee shall provide the City with a revised schedule of Rental Payments and a revised schedule setting forth the Option Purchase Price which schedule shall take into account such prepayment or delivery and shall be and become for all purposes thereafter included in **Schedule 4** to the Lease; provided, however, that nothing herein shall be construed to authorize or permit a revision of the Optional Purchase Dates from those originally provided in the Lease.

ARTICLE IV

FORM OF CERTIFICATES

Section 401. Forms Generally. The Certificates shall be in substantially the form set forth in **Exhibit A** to this Indenture. Any Additional Certificates shall also be in substantially the form set forth in **Exhibit A**, with such necessary or appropriate variations, omissions and insertions as are permitted or required by this Indenture or any Supplemental Indenture. The Certificates may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any custom, usage or requirement of law with respect thereto.

ARTICLE V

CREATION OF FUNDS; CUSTODY AND APPLICATION OF CERTIFICATE PROCEEDS

Section 501. Creation of Funds. There are hereby created and ordered to be established in the custody of the Trustee the following special trust funds in the name of the City to be designated as follows:

(a) Certificate Fund; and

(b) Project Fund.

Within each Fund created hereunder, a separate account shall be created for each series of Certificates. The Trustee is authorized to segregate moneys within such accounts, as instructed by the City, as necessary, on a book-entry basis or in such other manner as the Trustee may deem necessary or convenient.

In addition, the Escrow Agreement establishes the Escrow Fund to be held and administered by the Escrow Agent in accordance with the provisions of the Escrow Agreement.

Section 502. Allocation of Certificate Proceeds and Other Moneys. The net proceeds received from the sale of the Series 2020 Certificates, shall be deposited or applied as follows:

(a) To the Escrow Agent for deposit in the Escrow Fund, an initial cash balance sufficient to provide for the defeasance and refunding of the Refunded Certificates in accordance with the Escrow Agreement.

(b) To the Project Fund, the balance of the proceeds to be received from the sale of the Series 2020 Certificates.

Section 503. Deposits into the Project Fund. The following moneys shall be paid over to and deposited by the Trustee in the applicable subaccount of the Project Fund, as and when received:

(a) The proceeds from the sale of the Series 2020 Certificates, to the extent required by **Section 502** hereof.

(b) The proceeds from the sale of Additional Certificates (except Additional Certificates delivered to refund Outstanding Certificates), to the extent provided in the Supplemental Indenture authorizing such Additional Certificates;

(c) The Net Proceeds of casualty insurance, title insurance or condemnation awards required to be deposited into the Project Fund pursuant to the Lease;

(d) All payment and performance and labor and material bond payments and any and all payments from any contractors or other suppliers by way of breach of contract, refunds or adjustments required to be deposited into the Project Fund pursuant to the Lease; and

(e) Except as otherwise provided herein or in the Lease, any other moneys received by or to be paid to the Trustee from any other source for the acquisition, construction, improvement, furnishing and equipping of the Project, to the extent directed in writing by the Authorized City Representative to be deposited into the Project Fund.

Section 504. Disbursements from the Project Fund.

(a) So long as no Event of Default or Event of Nonappropriation has occurred and is continuing, the money in the Project Fund shall be disbursed by the Trustee for the payment of remaining Project Costs upon receipt of requisition certificates in substantially the form attached to the Lease as **Schedule 3**, and signed by an Authorized City Representative. All disbursements of Project Fund moneys shall, at the option of the City, be made either directly to the appropriate payees or to the City for reimbursement of Project Costs. The Trustee hereby covenants and agrees to disburse such money in accordance with the provisions of this Section. In making disbursements for Project Costs, the Trustee may conclusively rely as to the completeness and accuracy of all statements in such requisition certificate without inquiry or investigation if such requisition certificate is signed by the Authorized City Representative. It is understood that the Trustee shall not make any inspections of the Project nor any improvements thereon, make any provision to obtain completion certificates, mechanic's or materialmen's lien releases or otherwise supervise any phase of the acquisition, construction, improvement, furnishing or equipping of the Project. The receipt of a requisition signed by the Authorized City Representative shall constitute unto the Trustee an irrevocable determination that all conditions precedent to the payment of the specified amounts from the Project Fund have been completed. Moneys shall be disbursed first from the Proceeds subaccount and then the City Contribution subaccount.

(b) The Trustee shall keep and maintain adequate records pertaining to the Project Fund (and the subaccounts therein), earnings thereon and all disbursements therefrom, and after the Project has been completed and a certificate of payment of all costs filed as provided in **Section 505** below, the Trustee shall file with the City a final statement of receipts and disbursements with respect thereto.

Section 505. Disposition upon Completion of the Project. The completion of the Project and payment of all costs and expenses incidental thereto shall be evidenced by the filing with the Trustee by the Authorized City Representative of the Completion Certificate required by **Section 4.4** of the Lease. As soon thereafter as practicable, any balance remaining in the Project Fund (other than amounts retained by the Trustee as specified in said certificate) shall without further authorization be deposited in the applicable subaccount of the Certificate Fund and applied by the Trustee as directed in writing by the City solely (i) to pay amounts representing Principal Component or premium, if any, with respect to the Certificates upon the payment or prepayment thereof at the earliest date permissible under the terms of this Indenture, or (ii) at the option of the City, to purchase Certificates at such earlier date or dates as the City may elect. The balance remaining in the Project Fund and transferred to the Certificate Fund shall be invested in accordance with the written direction of the City. Any investment direction of the City shall be in compliance with the Tax Compliance Agreement. Any earnings on such investments may be applied to pay amounts representing Principal Components, premium, if any, or Interest Components with respect to the Certificates. Any Certificates purchased by the Trustee pursuant to this provision with moneys from the Certificate Fund will be deemed canceled. From time to time as the proper disposition of the amounts retained by the Trustee and specified in said certificate shall be determined, to the extent that such amounts are not paid out by the Trustee pursuant to **Section 504** of this Indenture, the City shall so notify the Trustee by one or more certificates as aforesaid and amounts from time to time no longer to be so retained by the Trustee shall be so deposited in the applicable subaccount of the Certificate Fund and applied by the Trustee as aforesaid.

Section 506. Disposition upon Acceleration. If the Certificates shall have become due and payable pursuant to **Section 802** of this Indenture, upon the date of payment by the Trustee of any money due as hereinafter provided in **Article IX** of this Indenture, any balance remaining in the Project Fund shall without further authorization be deposited in the applicable subaccount of the Certificate Fund by the Trustee with written notice to the City of such action.

ARTICLE VI

REVENUES AND FUNDS

Section 601. Deposits into the Certificate Fund. The Trustee shall deposit into the applicable subaccount of the Certificate Fund, as and when received, the following moneys:

(a) All Rental Payments payable by the City to the Trustee specified in the Lease;

(b) Any amount remaining in the Project Fund to be transferred to the Certificate Fund pursuant to **Section 505** of this Indenture upon completion of the Project and any amount remaining in the Project Fund to be transferred to the Certificate Fund pursuant to **Section 506** of this Indenture upon acceleration of the maturity of the Certificates;

(c) The balance of any Net Proceeds of insurance or condemnation awards received by the Trustee pursuant to **Article VIII** of the Lease;

(d) All interest and other income derived from investments of moneys required to be transferred to the Certificate Fund as provided in **Section 702** of this Indenture; and

(e) All other moneys received by the Trustee when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Certificate Fund.

Section 602. Application of Moneys in the Certificate Fund.

(a) Except as provided in this Section and in **Section 807** of this Indenture, moneys in the Certificate Fund shall be expended solely for (1) the payment of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates as the same mature and become due or upon the prepayment thereof, or (2) to purchase Certificates for cancellation prior to maturity.

(b) The Trustee is hereby authorized and directed to withdraw sufficient moneys from the applicable subaccount of the Certificate Fund to pay the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates as the same become due and payable and to make said moneys available to the Paying Agent for the purpose of paying such amounts.

(c) The Trustee, upon written direction of the City, shall use any moneys in the Certificate Fund (1) to prepay all or part of the Certificates Outstanding and the Interest Component of Rental Payments to accrue with respect thereto prior to such prepayment, in accordance with and to the extent permitted by **Article III** of this Indenture so long as the City is not in default with respect to any payments under the Lease and to the extent said moneys are in excess of the amount required for payment of Certificates theretofore matured or called for prepayment, and (2) to pay past due interest in all cases when such Certificates have not been presented for payment. The City may cause such excess moneys in the Certificate Fund or such part thereof or other moneys of the City, as the City may direct, to be applied by the Trustee to purchase Certificates in the open market for the purpose of cancellation, at prices not exceeding the principal amount thereof plus interest accrued with respect thereto to the date of delivery for cancellation.

(d) After payment or provision for payment in full of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates, and the fees, charges and expenses of the Trustee and any Paying Agent and any other amounts required to be paid under this Indenture and the Lease, all amounts remaining in the Certificate Fund shall be paid to the City.

Section 603. Payments Due on Days Other than Business Days. In any case where any amount representing Principal Component, premium, if any, or Interest Component with respect to any Certificate is payable on a day other than a Business Day, then such amounts with respect to the Certificates need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made when due, and no interest shall accrue for the period after such date.

Section 604. Nonpresentment of Certificates. In the event that any Certificate is not presented for payment when the Principal Component and premium, if any, with respect thereto becomes due, whether at maturity, upon prepayment or otherwise, or at the date fixed for prepayment thereof, if funds sufficient to pay such Certificate shall have been made available to the Trustee, all liability of the City to the Registered Owner thereof for the payment of such Certificate shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such funds, without liability for Interest Components with respect thereto, for the benefit of such Registered Owner of such Certificate, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Indenture with respect to such Certificate. If any Certificate is not presented for payment within one year following the date when such Certificate becomes due, whether by maturity, upon prepayment or otherwise, the Trustee upon the request of the City shall repay to the City without liability for interest thereon the funds theretofore held by the Trustee for payment of such Certificate, and such Certificate shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the City, and the Registered Owner thereof shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid, and the City shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

ARTICLE VII

SECURITY FOR DEPOSITS AND INVESTMENT OF MONEYS

Section 701. Moneys to Be Held in Trust. All moneys deposited with or paid to the Trustee for the account of any Fund under any provision of this Indenture, and all moneys deposited with or paid to any Paying Agent under any provision of this Indenture, shall be held by the Trustee or Paying Agent in trust and shall be applied only in accordance with the provisions of this Indenture and the Lease and, until used or applied as so provided, shall constitute part of the Trust Estate and be subject to the lien of this Indenture. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys except as provided herein.

Section 702. Investment of Moneys in Funds.

(a) Money in the Funds held by the Trustee hereunder shall, pursuant to the City's direction given by the Authorized City Representative, confirmed in writing, and subject to the Tax Compliance Agreement, be separately invested and reinvested by the Trustee in Permitted Investments which mature or are subject to prepayment by the holder prior to the date when such money will be needed or, if such written directions are not received, then the Trustee shall hold such moneys in uninvested cash. After the Trustee has notice pursuant to **Section 901(h)** of this Indenture of the existence of an Event of Default or an Event of Nonappropriation, the Trustee shall direct the investment of money in the Funds held by it hereunder. The Trustee shall sell and reduce to cash a sufficient amount of such Permitted Investments whenever the cash balance in any Fund is insufficient for the purposes of such Fund. The Trustee may make any and all investments permitted by the provisions of this Section through its own bond department or any affiliate or short-term investment department. The Trustee shall be entitled to rely on any written investment direction of an Authorized City Representative as to the suitability and legality of such directed investment and, if the Interest Component of Rental Payments is excluded from gross income for federal income tax purposes, that such written investment direction complies with the requirements of the Tax Compliance Agreement.

(b) Any Permitted Investments shall be held by or under the control of the Trustee and will be deemed at all times to be a part of the Fund in which such money is originally held. The interest earnings and any profit realized from Permitted Investments in any Fund hereunder shall be credited to the applicable subaccount of the Certificate Fund. However, prior to the Completion Date, the City may, in its sole discretion, direct the Trustee in writing to deposit all interest earnings and profit realized from Permitted Investments to the applicable subaccount of the Project Fund. Any loss resulting from Permitted Investments shall be charged to the applicable Fund.

(c) In determining the balance in any Fund, investments in such Funds shall be valued at the lower of their original cost or their fair market value as of the most recent Record Date, or as frequently as deemed necessary.

(d) Although the City recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, the City hereby agrees that confirmations of Investment Securities are not required to be issued by the Trustee for each month in which a monthly statement is rendered. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month.

ARTICLE VIII

DEFAULT AND REMEDIES

Section 801. Events of Default. If any of the following events occur, it is hereby defined as and declared to be and to constitute an Event of Default under this Indenture:

(a) Default in the due and punctual payment of any amount representing Interest Components with respect to any Certificate;

(b) Default in the due and punctual payment of any amount representing Principal Components or premium, if any, with respect to any Certificate, whether at maturity, upon prepayment or otherwise;

(c) Default in the performance or observance of any other of the covenants, agreements or conditions on the part of the City in this Indenture or in the Certificates contained (other than a default described in (a) or (b) above) or in any other document or instrument that secures or otherwise relates to the obligations hereby secured, and the continuance thereof for a period of 30 days after written notice thereof shall have been given to the City by the Trustee, or to the Trustee (which notice of default the Trustee shall be required to accept) and the City by the Registered Owners of not less than 25% in aggregate principal amount of Certificates then Outstanding; provided, however, if any default shall be such that it cannot be corrected within such 30-day period, it shall not constitute an Event of Default if corrective action is instituted by the City within such period and diligently pursued until the default is corrected, so long as said default is corrected within 60 days after written notice thereof was first given as hereinabove provided unless the Trustee otherwise consents; or

(d) An Event of Default as specified in **Section 12.1** of the Lease shall have occurred.

Section 802. Acceleration of Maturity.

(a) If an Event of Default or an Event of Nonappropriation shall have occurred and be continuing, (1) the Trustee may, and (2) the Trustee shall, at the written direction of the Registered Owners of not less than 25% in aggregate principal amount of Certificates then Outstanding, by notice in writing delivered to the City, declare the Rental Payments and Additional Payments payable during the current Renewal Term immediately due and payable, and such Rental Payments and Additional Payments shall thereupon become and be immediately due and payable, anything in this Indenture or in the Certificates to the contrary notwithstanding.

(b) If, at any time after such declaration, but before the Certificates shall have matured by their terms, all overdue installments representing Principal and Interest Components with respect to the Certificates, together with the reasonable and proper costs, charges, fees and expenses of the Trustee, and all other sums then payable by the City under this Indenture either has been paid or provision satisfactory to the Trustee for such payment has been made, then and in every such case the Trustee shall, upon the written request of the Registered Owners of not less than a majority in aggregate Principal Components of the Certificates Outstanding, rescind such declaration and annul such default in its entirety. In such event, the Trustee shall rescind any declaration of acceleration of installments of Rental Payments made pursuant to **Section 12.2** of the Lease.

(c) In case of any rescission, then and in every such case the City, the Trustee and the Registered Owners shall be restored to their former position and rights hereunder respectively, but no such rescission shall extend to any subsequent or other default or Event of Default or Event of Nonappropriation or impair any right consequent thereon.

Section 803. Surrender of Possession of Facilities; Rights and Duties of Trustee in Possession. If an Event of Default or an Event of Nonappropriation shall have occurred and be continuing, the City, upon written demand of the Trustee, shall forthwith surrender the possession of, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to take possession of the Facilities, together with the books, records and accounts of the City pertaining thereto, and the Trustee may exercise all rights under the Lease and/or the Base Lease, and to hold, operate and manage the Facilities, and the right from time to time to make all needful repairs and improvements as shall be deemed wise by the Trustee; and the Trustee may lease the Facilities or any part thereof, and collect, receive and sequester the payments, revenues and receipts therefrom, and out of the same and any moneys received from any receiver of any part thereof pay, and set up proper reserves for the payment of all proper costs and expenses of so taking, holding and managing the same, including without limitation (i) reasonable compensation to the Trustee, its agents and counsel, (ii) any charges of the Trustee hereunder, (iii) any taxes and assessments and other charges prior to the lien of this Indenture or the leasehold interest granted by the Base Lease, which the Trustee may deem it wise to pay, and (iv) all expenses of such repairs and improvements, and the Trustee shall apply the remainder of the moneys so received in accordance with the provisions of **Section 808** of this Indenture. Whenever all amounts with respect to the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates shall have been paid and all defaults made good, the Trustee shall surrender possession of the Facilities to the City, its successors or assigns, the same right of entry, however, to exist upon any subsequent Event of Default or Event of Nonappropriation. While in possession of such property, the Trustee shall render annually to the City a summarized statement of receipts and expenditures in connection therewith.

Section 804. Appointment of Receivers. If an Event of Default or an Event of Nonappropriation shall have occurred and be continuing, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights and remedies of the Trustee and of the Registered Owners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate, or any part thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 805. Exercise of Remedies by the Trustee.

(a) If an Event of Default or Event of Nonappropriation has occurred and is continuing, (1) the Trustee may, and (2) the Trustee shall, upon the written request of the Registered Owners of not less than 25% in aggregate principal amount of Certificates then Outstanding, and upon being indemnified as provided in **Section 901(l)** of this Indenture, pursue and exercise any available remedy at law or in equity by suit, action, mandamus or other proceeding or exercise such one or more of the rights and remedies conferred by this Indenture, the Lease and the Base Lease as the Trustee, being advised by Counsel, shall deem most expedient in the interests of the Registered Owners, to enforce the payment of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates then Outstanding and to enforce and compel the performance of the duties and obligations of the City under the Lease.

(b) All rights of action under this Indenture or under any of the Certificates may be enforced by the Trustee without the possession of any of the Certificates or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without necessity of joining as plaintiffs or defendants any Registered Owners of the Certificates, and any recovery of judgment shall, subject to the provisions of **Section 808** of this Indenture, be for the equal benefit of all the Registered Owners of the Outstanding Certificates.

Section 806. Limitation on Exercise of Remedies by Registered Owners. No Registered Owner shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereunder or for the appointment of a receiver or any other remedy hereunder, unless (a) an Event of Default or Event of Nonappropriation has occurred of which the Trustee has been notified or is deemed to have notice as provided in **Section 901(h)** of this Indenture, (b) the Registered Owners of not less than 25% in aggregate principal amount of Certificates then Outstanding shall have made written request to the Trustee and have furnished the Trustee reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, and have furnished to the Trustee indemnity as provided in **Section 901(l)** of this Indenture, and (c) the Trustee thereafter fails or refuses to exercise the powers and remedies herein granted or to institute such action, suit or proceeding in its own name. No one or more Registered Owners shall have any right in any manner whatsoever to affect, disturb or prejudice this Indenture by its, his or their action or to enforce any right hereunder except in the manner herein provided. All proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Registered Owners of all Certificates then Outstanding. Nothing in this Indenture contained shall, however, affect or impair the right of any Registered Owner to payment of amounts representing Principal and Interest Components of the Rental Payments represented by any Certificate at and after the maturity thereof or the obligation of the City to provide for payment of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by any Certificate delivered hereunder to the respective Registered Owners thereof at the time, place, from the source and in the manner herein and in the Certificates expressed.

Section 807. Right of Registered Owners to Direct Proceedings. Anything in this Indenture to the contrary notwithstanding, the Registered Owners of not less than a majority in aggregate Principal Components with respect to the Certificates then Outstanding shall have the right at any time, upon an Event of Default or an Event of Nonappropriation, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law and to the extent not inconsistent with this Section.

Section 808. Application of Moneys in Event of Default or Event of Nonappropriation.

(a) All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the costs, fees, charges, and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses, liabilities and advances incurred or made by the Trustee, including any attorneys' fees and expenses, be deposited in the applicable subaccount of the Certificate Fund. All moneys so deposited in the Certificate Fund shall be applied as follows:

(1) Unless any of the Principal Components with respect to any Certificates shall have become or shall have been declared due and payable, all such moneys shall be applied:

First -- To the payment to the persons entitled thereto of all installments of amounts representing Interest Components then due and payable with respect to any Certificates, in the order in which such interest installments became due and payable and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment, ratably, according to the amounts due on such Interest Component installment, to the persons entitled thereto, without any discrimination or privilege; and

Second -- To the payment to the persons entitled thereto of the unpaid amounts representing Principal Components with respect to any of the Certificates which have become due and payable (other than Certificates called for prepayment for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates and, if the amount available shall not be sufficient to pay in full amounts representing Principal Components due with respect to Certificates on any particular date, then to the payment, ratably, according to the amount of Principal Components due on such date, to the persons entitled thereto without any discrimination or privilege.

(2) If any of the Principal Component of the Rental Payments represented by the Outstanding Certificates has become due or been declared due and payable, all such moneys shall be applied to the payment of the amounts then due and unpaid with respect to such Certificates, without preference or priority of Principal Component over Interest Component or of Interest Component over Principal Component or of any installment of Interest Component over any other installment of Interest Component or of any Certificate over any other Certificate, ratably, according to the amounts due respectively for the Principal Component and Interest Component, to the persons entitled thereto, without any discrimination or privilege.

(3) If the Principal Component of the Rental Payments represented by any of the Outstanding Certificates has been declared due and payable, and if such declaration thereafter has been rescinded and annulled under the provisions of **Section 802** of this Indenture, then, subject to the provisions of subsection (a)(2) above of this Section in the event that the Principal Component with respect to any of the Outstanding Certificates later becomes due or is declared due and payable, the moneys shall be applied in accordance with the provisions of subsection (a)(1) of this Section.

(b) Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times and from time to time as the Trustee shall determine, having due regard to the amount of such moneys available and which may become available for such application in the future. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be a Certificate Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Registered Owner of any unpaid Certificate until such Certificate shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

(c) Whenever all amounts representing Principal and Interest Components with respect to all Outstanding Certificates have been paid under the provisions of this Section, and all expenses and charges of the Trustee and the Paying Agents have been paid, any balance remaining in the Certificate Fund shall be paid to the City.

Section 809. Remedies Cumulative. No remedy herein conferred upon or reserved to the Trustee or to the Registered Owners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or the Registered Owners hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right, power or remedy accruing upon any Event of Default or Event of Nonappropriation shall impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or Event of Nonappropriation or acquiescence therein; and every such right, power or remedy may be exercised from time to time and as often as may be deemed expedient. No waiver of any Event of Default or Event of Nonappropriation hereunder, whether by the Trustee or the Registered Owners, shall extend to or shall affect any subsequent Event of Default or Event of Nonappropriation or shall impair any rights or remedies consequent thereon.

Section 810. Waivers of Event of Default or Event of Nonappropriation. Subject to the provisions of **Section 802** of this Indenture, the Trustee may waive any Event of Default or any Event of Nonappropriation hereunder and its consequences and rescind any declaration of maturity of Rental Payments and Additional Payments, and shall do so upon the written request of the Owners of at least a majority in aggregate principal amount of all Certificates then Outstanding. In case of any such waiver or rescission, or in case any proceedings taken by the Trustee under this Indenture on account of any such Event of Default or Event of Nonappropriation are discontinued or abandoned for any reason, or are determined adversely, then and in every such case the Trustee and the Registered Owners shall be restored to their former positions, rights and obligations hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been undertaken.

ARTICLE IX

THE TRUSTEE

Section 901. Acceptance of the Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts as a prudent person, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee:

(a) The Trustee, prior to the occurrence of an Event of Default or an Event of Nonappropriation and after the curing of all Events of Default or Events of Nonappropriation which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. If any Event of Default or an Event of Nonappropriation shall have occurred and be continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs in exercising any rights or remedies or performing any of its duties hereunder.

(b) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents, attorneys or receivers. The Trustee shall be entitled to act or refrain from acting upon the opinion or advice of Counsel concerning all matters of trust hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such agents, attorneys and receivers as may reasonably be employed in connection with the trusts hereof. The Trustee shall not be responsible for any loss or damage resulting from any action by it taken or omitted to be taken in good faith in reliance upon such opinion or advice of Counsel.

(c) The Trustee shall file continuation statements to the extent required by the Uniform Commercial Code of the State. The Trustee shall not be responsible for any recital herein or in the Certificates, or for the recording or re-recording, filing or re-filing of this Indenture or any financing statements (other than continuation statements) in connection therewith, or for insuring the Facilities or collecting any insurance moneys, or for the validity of the execution by the City of this Indenture or of any Supplemental Indentures or instruments of further assurance, or for the sufficiency of the security for the Certificates. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of moneys made by it in accordance with **Article VII** of this Indenture.

(d) The Trustee shall not be accountable for the use of any Certificates executed and delivered as provided hereunder. The Trustee, in its individual or any other capacity, may become the Registered Owner or pledgee of Certificates with the same rights which it would have if it were not Trustee.

(e) The Trustee may rely and shall be protected in acting or refraining from acting upon any Ordinance, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, affidavit, letter, telegram or other paper or document specified by this Indenture and believed by the Trustee to be genuine and correct and to have been signed, presented or sent by the proper person or persons. Any action taken by the Trustee pursuant to this Indenture upon the request or authorized consent of any Person who, at the time of making such request or giving such authority or consent is the Registered Owner of any Certificate, shall be conclusive and binding upon all future Registered Owners of the same Certificate and upon Certificates delivered in exchange therefor or upon transfer or in substitution thereof.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, or whenever in the administration of this Indenture, the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee shall be entitled to rely upon a certificate signed by an Authorized City Representative as sufficient evidence of the facts therein contained, and prior to the occurrence of a default of which the Trustee has been notified as provided in **Section 901(h)** of this Indenture or of which by said Section the Trustee is deemed to have notice, the Trustee may also accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be answerable for other than its negligence or willful misconduct.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder except failure by the City to cause to be made any of the payments to the Trustee required to be made in **Article VI** of this Indenture and **Article V** of the Lease, unless the Trustee shall be specifically notified in writing of such Event of Default by the Registered Owners of at least 10% in aggregate Principal Components with respect to all Certificates then Outstanding, which notice of Event of Default the Trustee shall be required to accept.

(i) At any and all reasonable times the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right, but shall not be required, to inspect any and all books, papers and records of the City pertaining to the Project and the Certificates, and to take such memoranda from and in regard thereto as may be desired.

(j) The Trustee shall not be required to give any bond or surety in respect to the execution of its trusts and powers hereunder or otherwise with respect to the Facilities.

(k) The Trustee shall have the right, but shall not be required, to demand, with respect to the execution of any Certificates, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action by the Trustee deemed desirable for the purpose of establishing the right to the withdrawal of any cash, the release of any property, or the taking of any other action by the Trustee.

(l) Before taking any action under this Indenture, other than the making of payments to Registered Owners of Principal and Interest Components of the Rental Payments represented by the Certificates or accelerating the maturity of Certificates pursuant to **Section 802** of this Indenture, the Trustee may require that satisfactory indemnity be furnished to it for the reimbursement of all costs and expenses to which it may be put and to protect it against all liability which it may incur in or by reason of such action, except liability which is adjudicated to have resulted from its negligence or willful misconduct by reason of any action so taken.

(m) The Trustee may elect not to proceed in accordance with the directions of the Owners of the Certificates without incurring any liability to the Certificate Owners if in the opinion of the Trustee such direction may result in environmental or other liability to the Trustee, in its individual capacity, for which the Trustee has not received indemnity pursuant to this Section, and the Trustee may rely conclusively upon an Opinion of Counsel in determining whether any action so directed may result in such liability.

(n) The Trustee may inform the Certificate Owners of environmental hazards that the Trustee has reason to believe exist, and the Trustee has the right to take no further action and, in such event no fiduciary duty exists which imposes any obligation for further action with respect to the Trust Estate or any portion thereof if the Trustee, in its individual capacity, determines that any such action would materially and adversely subject the Trustee to environmental or other liability for which the Trustee has not received indemnity pursuant to this Section.

(o) Notwithstanding any other provision of this Indenture to the contrary, any provision intended to provide authority to act, right to payment of fees and expenses, protection, immunity and indemnification to the Trustee shall be interrupted to include any action of the Trustee whether it is deemed to be in its capacity as Trustee, Certificate Registrar or Paying Agent.

(p) The Trustee shall not be responsible for and makes no representation as to the legality, effectiveness or sufficiency of any security document or for the creation, perfection, priority or protection of any lien securing the Certificates. The Trustee shall not be responsible for filing or for the sufficiency or accuracy of any financing statements initially filed to perfect security interests granted under this Indenture. The Trustee shall file continuation statements with respect to each U.C.C. financing statement filed at the time of the issuance of the Certificates; provided that a copy of the filed initial financing statement is timely delivered to the Trustee. In addition, unless the Trustee shall have been notified in writing by the City that any such initial filing or description of collateral was or has become defective, the Trustee shall be fully protected in (a) relying on such initial filing and descriptions in filing any financing or continuation statements or modifications thereto pursuant to this Section and (b) filing any continuation statements in the same filing offices as the initial filings were made. The City shall be responsible for the customary fees charged by the Trustee for the preparation and filing of continuation statements and for the reasonable costs incurred by the Trustee in the preparation and filing of all continuation statements hereunder.

Section 902. Fees, Charges and Expenses of the Trustee. The Trustee shall be entitled to payment of or reimbursement for reasonable fees for its ordinary services rendered hereunder and all advances, agent and counsel fees and other ordinary expenses reasonably and necessarily made or incurred by the Trustee in connection with such ordinary services and, in the event that it should become necessary for the Trustee to perform extraordinary services, the Trustee shall be entitled to reasonable additional compensation therefor and to reimbursement for reasonable and necessary extraordinary expenses in connection therewith; provided that if such extraordinary services or extraordinary expenses are occasioned by the negligence or willful misconduct of the Trustee it shall not be entitled to compensation or reimbursement therefor. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent for the Certificates. Pursuant to the provisions of **Section 5.2** of the Lease, the City has agreed to pay, as Additional Payments, to the Trustee all fees, charges and expenses of the Trustee under this Indenture. Upon the occurrence of an Event of Default or an Event of Nonappropriation and during its continuance, the Trustee shall have a first lien with right of payment prior to payment on account of amounts representing Principal Components, premium, if any, or Interest Components with respect to any Certificate, upon all moneys in its possession under any provisions of this Indenture for the foregoing advances, fees, costs and expenses incurred and unpaid.

Section 903. Notices to Registered Owners. If a default occurs of which the Trustee is by **Section 901(h)** of this Indenture required to take notice, or if notice of default is given as provided in said Section, or if the Trustee has actual knowledge that there has been a failure to renew or a deficiency in the insurance coverages required by the Lease, then the Trustee shall, immediately after knowledge of such default, give written notice thereof to the Registered Owners of all Certificates then Outstanding, as shown by the Certificate Register.

Section 904. Intervention by the Trustee. In any judicial proceeding to which the City is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of the Registered Owners, the Trustee may intervene on behalf of Registered Owners and shall do so if requested in writing by the Registered Owners of at least 25% of the aggregate principal amount of Certificates then Outstanding if provided with indemnity pursuant to **Section 901(l)** of this Indenture.

Section 905. Successor Trustee upon Merger, Consolidation or Sale. Any corporation or association into which the Trustee may be merged or converted or with or into which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any merger, conversion, sale, consolidation or transfer to which it is a party, shall be and become successor Trustee hereunder and shall be vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereunder as was its predecessor, without the execution or filing of any instrument or any further act on the part of any of the parties hereto.

Section 906. Resignation of the Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving 30 days' written notice to the City and the Registered Owners whose names and addresses are on file with the Trustee, and such resignation shall take effect upon the earlier of (i) the end of such 30 days or (ii) the appointment of a successor Trustee by the City or by the Owners of at least a majority in aggregate stated Principal Components represented by the Certificates then Outstanding in accordance with **Section 908** of this Indenture; provided, however, that in no event shall the resignation of a Trustee or successor Trustee become effective until such time as a successor Trustee has been appointed and has accepted the appointment in accordance with **Section 909** of this Indenture. If at any time the Trustee shall cease to be eligible to act as trustee in accordance with the provisions of this Indenture, the Trustee shall immediately resign in the manner provided in this Section. In the event that the City or the Registered Owners of at least a majority in aggregate Principal Components represented by the Certificates then Outstanding fail to appoint a successor Trustee within 30 days after notice of resignation has been given by the Trustee, the Trustee shall have the right to petition a court to appoint a successor Trustee.

Section 907. Removal of the Trustee. The Trustee may be removed at any time for any breach of trust or by an instrument or concurrent instruments in writing delivered (a) to the Trustee and the City and signed by the Registered Owners of not less than a majority in aggregate Principal Components represented by the Certificates then Outstanding, or (b) to the Trustee and the Registered Owners and signed by the City (so long as no Event of Default or Event of Nonappropriation shall have occurred and being continuing). In no event shall the removal of a Trustee or successor Trustee become effective until such time as a successor Trustee has been appointed and has accepted such appointment. In the event that the City or the Registered Owners of at least a majority in aggregate Principal Components represented by the Certificates then Outstanding fail to appoint a successor Trustee within 30 days after said instrument or concurrent instruments removing the Trustee are delivered to the Trustee, the Trustee shall have the right to petition a court to appoint a successor Trustee.

Section 908. Appointment of Successor Trustee. In case the Trustee shall resign or be removed, or shall otherwise become incapable of acting, or in case it shall be taken under the control of any public officer or officers or of a receiver appointed by a court, a successor Trustee may be appointed by (a) the City (so long as no Event of Default or Event of Nonappropriation shall have occurred and being continuing) or (b) the Registered Owners of a majority in aggregate principal amount of Certificates then Outstanding, in either case by an instrument or concurrent instruments in writing. Every such Trustee appointed pursuant to the provisions of this Section shall warrant at the time of accepting such trust and exercising the powers of the Trustee hereunder that (i) it is a trust company or bank in good standing located in or incorporated under the laws of one of the states of the United States of America, (ii) it is duly authorized to exercise trust powers and is qualified to accept such trust, (iii) it is subject to examination by a federal or state authority, (iv) it shall maintain a reported capital and surplus of not less than $75,000,000. If such institution publishes reports of conditions at least annually pursuant to law or regulation, then for the purposes of this Section, the capital and surplus of such institution shall be deemed to be its capital and surplus as set forth in its most recent report of condition so published.

Section 909. Vesting of Trusts in Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the City an instrument in writing accepting such appointment hereunder, and thereupon such successor shall, without any further act, deed or conveyance, become fully vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of its predecessor; but such predecessor shall, nevertheless, on the written request of the City, and upon receipt of the payment of its outstanding fees and expenses, execute and deliver an instrument transferring to such successor Trustee all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of such predecessor hereunder; and every predecessor Trustee shall deliver to its successor all securities and moneys held by such predecessor as Trustee hereunder and the duties and obligations of the predecessor Trustee hereunder shall thereafter cease and terminate. Should any instrument in writing from the City be required by any predecessor or successor Trustee for more fully and certainly vesting in such successor the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereby vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the City.

Section 910. Right of Trustee to Pay Taxes and Other Charges. In case any tax, assessment or governmental or other charge upon, or insurance premium with respect to, any part of the Facilities is not paid as required herein or in the Lease, the Trustee may pay such tax, assessment or governmental charge or insurance premium, without prejudice, however, to any rights of the Trustee or the Registered Owners hereunder arising in consequence of such failure; and any amount at any time so paid under this Section, with interest thereon from the date of payment at a rate per annum equal to the Prime Rate in effect at the time plus 2%, shall become an additional obligation secured by this Indenture, and the same shall be given a preference in payment over any payment of amounts representing Principal Components, premium, if any, or Interest Components with respect to the Certificates, and shall be paid out of the proceeds of payments, revenues and receipts collected from the Facilities, if not otherwise caused to be paid; but the Trustee shall be under no obligation to make any such payment unless it shall have been requested to do so by the Registered Owners of at least 25% of the aggregate principal amount of Certificates then Outstanding and shall have been provided adequate funds for the purpose of such payment.

Section 911. Trust Estate May Be Vested in Co-Trustee.

(a) It is the intent of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the State) denying or restricting the right of banking corporations or associations or trust companies to transact business as trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture, the Lease or the Base Lease, and in particular in case of the enforcement of one or more of the same on default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction the Trustee may not exercise any of the powers, rights or remedies herein granted to it, or to take any other action which may be desirable or necessary in connection therewith, it may be necessary or desirable for the Trustee to appoint an additional individual or institution as a co-trustee or separate trustee, and the Trustee is hereby authorized to appoint such co-trustee or separate trustee.

(b) Any co-trustee appointed pursuant to this Section must comply with clause (iii) of **Section 908** of this Indenture; relating to the size of such co-trustee.

(c) In the event that the Trustee appoints an additional individual or institution as a co-trustee or separate trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, title, interest and lien expressed or intended by this Indenture to be exercised by the Trustee with respect thereto shall be exercisable by such co-trustee or separate trustee but only to the extent necessary to enable such co-trustee or separate trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such co-trustee or separate trustee shall run to and be enforceable by either of them.

(d) Should any deed, conveyance or instrument in writing from the City be required by the co-trustee or separate trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to the co-trustee or separate trustee such properties, rights, powers, trusts, duties and obligations, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the City.

(e) In case any co-trustee or separate trustee shall die, become incapable of acting, resign or be removed, all the properties, rights, powers, trusts, duties and obligations of such co-trustee or separate trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a successor to such co-trustee or separate trustee.

Section 912. Annual Accounting. The Trustee shall render an accounting at least annually to the City and to any Registered Owner requesting the same, showing in reasonable detail all financial transactions relating to the Trust Estate during the accounting period and the balance in any Funds created by this Indenture as of the beginning and close of such accounting period.

Section 913. Performance of Duties under the Lease. The Trustee hereby accepts and agrees to perform all duties and obligations specifically assigned to it under the Lease.

ARTICLE X

SUPPLEMENTAL INDENTURES

Section 1001. Supplemental Indentures Not Requiring Consent of Registered Owners. The City and the Trustee may from time to time, subject to the provisions of **Section 1302** of this Indenture, without the consent of or notice to any of the Registered Owners, enter into a Supplemental Indenture or Supplemental Indentures not inconsistent with the terms and provisions of this Indenture, for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in this Indenture or make any other change which in the judgment of the Trustee is not prejudicial to the Trustee or materially adverse to the security of the Registered Owners (provided the Trustee is entitled to receive and rely upon an opinion of counsel in exercising such judgment);

(b) To grant to or confer upon the Trustee for the benefit of the Registered Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Registered Owners or the Trustee or either of them;

(c) To more precisely identify the Facilities or the Trust Estate or to add property thereto;

(d) In connection with the final payment or defeasance of a series of Certificates, to release the Facilities financed by proceeds of such series of Certificates being paid or defeased;

(e) To subject to this Indenture additional revenues, properties or collateral;

(f) To comply with the arbitrage rebate requirements of Section 148(f) of the Code; and

(g) To deliver Additional Certificates as provided in **Section 209** of this Indenture.

Section 1002. Supplemental Indentures Requiring Consent of Registered Owners.

(a) Exclusive of Supplemental Indentures covered by **Section 1001** above and subject to the terms and provisions contained in this Section and **Section 1302** of this Indenture, with the prior written consent of the Registered Owners of not less than a majority in aggregate Principal Components represented by the Certificates then Outstanding, the City and the Trustee shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to execute such other Supplemental Indenture or Supplemental Indentures as shall be deemed necessary and desirable by the City for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any Supplemental Indenture; provided, however, that nothing in this Section contained shall permit or be construed as permitting without the consent of the Registered Owners of 100% in aggregate Principal Components represented by the Certificates then Outstanding (1) an extension of the maturity or mandatory prepayment date of any installment representing Principal or Interest Components with respect to any Certificate delivered hereunder, (2) a reduction in the Principal Component represented by any Certificate or the rate of interest with respect thereto, (3) a privilege or priority of any Certificate or Certificates over any other Certificate or Certificates, (4) a reduction in the aggregate Principal Components represented by the Certificates or (5) a change to the optional, extraordinary optional or special mandatory prepayment provisions in this Indenture.

(b) If at any time the City requests the Trustee to enter into any such Supplemental Indenture for any of the purposes of this Section, the Trustee shall cause notice of the proposed execution of such

Supplemental Indenture to be mailed to each Registered Owner as shown on the Certificate Register. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the corporate trust office of the Trustee for inspection. If within 60 days or such longer period as may be prescribed by the City following the mailing of such notice, the requisite percentage of Registered Owners shall have consented to and approved the execution thereof as herein provided, no Registered Owner of any Certificate shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the City from executing the same or from taking any action pursuant to the provisions thereof.

Section 1003. Opinion of Counsel. Before the City and the Trustee enter into any Supplemental Indenture pursuant to this Article, there shall have been delivered to the City and the Trustee an Opinion of Special Counsel stating that such Supplemental Indenture is authorized or permitted by this Indenture, will upon the execution and delivery thereof be valid and binding upon the City in accordance with its terms, and will not adversely affect the validity of the Certificates or the exclusion from federal gross income of interest on any Certificates that have been issued.

ARTICLE XI

AMENDMENTS TO THE BASE LEASE OR THE LEASE

Section 1101. Amendments to the Base Lease or the Lease Not Requiring Consent of Registered Owners. The City and the Trustee shall, without the consent of or notice to any of the Registered Owners, enter into any amendment, change or modification of the Base Lease or the Lease as may be required (a) by the provisions of the Base Lease, the Lease or this Indenture, (b) for the purpose of curing any ambiguity or formal defect or omission in the Base Lease, the Lease or in connection with any other change therein which, in the judgment of the Trustee, is not to the prejudice of the Trustee or materially adverse to the security for the Registered Owners (provided the Trustee is entitled to receive and rely upon an opinion of counsel in exercising such judgment), (c) so as to more precisely identify the Facilities or add property thereto, or (d) in connection with the delivery of Additional Certificates under **Section 209** of this Indenture.

Section 1102. Amendments to the Base Lease or the Lease Requiring Consent of Registered Owners. Except for the amendments, changes or modifications as specified in **Section 1101** of this Indenture, neither the City nor the Trustee shall execute any other amendment, change or modification of the Base Lease or the Lease without the giving of notice and the obtaining of the written approval or consent of the Registered Owners of not less than a majority in aggregate Principal Components represented by the Certificates at the time Outstanding given and obtained as provided in **Section 1002** of this Indenture. The Trustee shall cause notice of such proposed amendment, change or modification to be given in the same manner as provided in **Section 1002** of this Indenture with respect to Supplemental Indentures. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the same are on file at the corporate trust office of the Trustee or such other office as the Trustee shall designate for inspection by all Certificate Owners.

Section 1103. Opinion of Counsel. Before the City and the Trustee consent to any amendment, change or modification of the Base Lease or the Lease, there shall have been delivered to the City and the Trustee an Opinion of Special Counsel stating that the amendment, change or modification of the Base Lease or the Lease is authorized or permitted by this Indenture and the instrument amended, changed or modified, will upon the execution and delivery thereof be valid and binding upon the City in accordance with its terms, and will not adversely affect the validity of the Certificates or the exclusion from federal gross income of interest on any Certificates that have been issued.

ARTICLE XII

SATISFACTION AND DISCHARGE OF THIS INDENTURE

Section 1201. Satisfaction and Discharge of this Indenture.

(a) When the Principal Components, premium, if any, and Interest Components with respect to all the Certificates shall have been paid in accordance with their terms or provision has been made for such payment, as provided in **Section 1202** of this Indenture, and provision has also been made for paying all other sums payable hereunder, including the fees, costs, charges and expenses of the Trustee and the Paying Agent to the date of retirement of the Certificates and all sums payable under the Lease, then the right, title and interest of the Trustee under this Indenture shall thereupon cease, determine and be void, and thereupon the Trustee shall cancel, discharge and release this Indenture and shall execute, acknowledge and deliver to the City such instruments of satisfaction and discharge or release as shall be requisite to evidence such release and the satisfaction and discharge of this Indenture, and shall assign and deliver to the City any property at the time subject to this Indenture which may then be in the Trustee's possession, except funds or securities in which such moneys are invested and held by the Trustee for the payment of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates.

(b) The City is hereby authorized to accept a certificate of the Trustee stating that all amounts with respect to the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates due and payable upon all of the Certificates then Outstanding has been paid or provision for such payment has been made in accordance with **Section 1202** of this Indenture as evidence of satisfaction of this Indenture.

Section 1202. Certificates Deemed to Be Paid.

(a) Certificates or any portion thereof shall be deemed to be paid within the meaning of this Article when payment of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates being paid to the due date thereof (whether such due date is by reason of maturity or upon prepayment as provided in this Indenture, or otherwise), either (1) shall have been made or caused to be made in accordance with the terms hereof, or (2) provision therefor shall have been made by depositing with the Trustee or other duly authorized escrow agent, in trust and irrevocably setting aside exclusively for such payment, (i) moneys sufficient to make such payment or (ii) Defeasance Obligations maturing as to principal and interest, without reinvestment, in such amount and at such times as will ensure the availability of sufficient moneys to make such payment. At such time as a Certificate shall be deemed to be paid hereunder as aforesaid, such Certificate shall no longer be secured by or be entitled to the benefits of this Indenture, except for the purposes of any such payment from such moneys or Defeasance Obligations.

(b) Notwithstanding the foregoing, in the case of any Certificate which by its terms may be prepaid prior to the stated maturity thereof, no deposit under clause (2) of subsection (a) above shall be deemed a payment of such Certificates as aforesaid until, as to all such Certificates which are to be prepaid prior to their respective stated maturities, (1) proper notice of such prepayment shall have been given in accordance with **Article III** of this Indenture or irrevocable instructions shall have been given to the Trustee to give such notice and (2) in the case of Certificates which do not mature or will not be prepaid within 90 days of the deposit referred to in (a) above, there shall have been delivered to the Trustee a verification report of an independent certified public accounting firm as to the adequacy of the trust funds to fully pay the Certificates deemed to be paid.

(c) Notwithstanding any provision of any other Section of this Indenture which may be contrary to the provisions of this Section, all moneys or Defeasance Obligations set aside and held in trust pursuant to the provisions of this Section for the payment of Certificates (including premium, if any) and Interest Components with respect thereto shall be applied to and be used solely for the payment of the particular Certificates (including premium, if any) and Interest Components with respect thereto to which such moneys and Defeasance Obligations have been so set aside in trust.

(d) Provision for payment of the Certificates Outstanding hereunder may not be made as aforesaid nor may this Indenture be discharged if under any circumstances the Interest Component of the Rental Payments represented by such Certificates is thereby made subject to federal income taxation. In determining the foregoing, the Trustee may rely upon an opinion of Special Counsel to the effect that so providing for the payment of any Certificates will not cause the Interest Component of the Rental Payments to be includable in gross income for federal income tax purposes.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

Section 1301. Consents and Other Instruments by Registered Owners.

(a) Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Registered Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Registered Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Certificates, (other than the assignment of ownership of a Certificate as set forth in the form of Certificate) if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken, suffered or omitted under any such instrument, namely:

(1) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(2) The fact of ownership of Certificates, the amount or amounts, numbers and other identification of Certificates, and the date of holding the same shall be proved by the Certificate Register maintained by the Trustee.

(b) In determining whether the Registered Owners of the requisite principal amount of Certificates Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Indenture, Certificates owned by the City shall be disregarded and deemed not to be Outstanding under this Indenture.

Section 1302. Limitation of Rights under this Indenture. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Certificates is intended or shall be construed to give any person, other than the parties hereto, or the

Registered Owners of the Certificates, any right, remedy or claim under or with respect to this Indenture, this Indenture and all of the covenants, conditions and provisions of this Indenture being intended to be and being for the sole and exclusive benefit of the parties hereto, and the Registered Owners of the Certificates as herein provided.

Section 1303. Notices. Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Indenture shall be in writing and shall be deemed duly given or filed if the same shall be duly mailed by first class, registered or certified mail (unless otherwise provided herein), postage prepaid, addressed as follows provided that any of the foregoing given to the Trustee shall be effective only upon receipt:

(a) To the City:

City of Harrisonville, Missouri
300 E Pearl Street
Harrisonville, MO 64701
Attention: City Administrator

(b) To the Trustee:

UMB Bank N.A., as Trustee
928 Grand Blvd., 12th Floor
Kansas City, Missouri 64106
Attention: Corporate Trust Department

(c) To the Purchaser (of the Series 2020 Certificates):

Stifel Nicolaus & Company, Incorporated
One Financial Plaza
501 North Broadway
St. Louis, MO 63102

(d) To the Registered Owners if the same shall be duly mailed by first class mail (unless otherwise provided for herein) addressed to each of the Registered Owners of Certificates at the time Outstanding as shown by the Certificate Register.

All notices given by first class, certified or registered mail as aforesaid shall be deemed duly given as of the date they are so mailed. The Trustee and the City may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent.

Section 1304. Suspension of Mail Service. If, because of the suspension of regular mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such publication in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient notice.

Section 1305. Severability. If any provision of this Indenture shall be held or deemed to be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions of this Indenture or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

Section 1306. Execution in Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 1307. Governing Law. This Indenture shall be governed exclusively by and be construed in accordance with applicable laws of the State.

Section 1308. Electronic Storage of Documents. The City and the Trustee agree that the transaction described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the **CITY OF HARRISONVILLE, MISSOURI** has caused this Indenture to be signed in its name and behalf and attested by its duly authorized officers, and to evidence its acceptance of the trusts hereby created, **UMB BANK N.A.** has caused this Indenture to be signed in its name and behalf and attested by its duly authorized officers, all as of the date first above written.

CITY OF HARRISONVILLE, MISSOURI

By: ____________________________________
Name: Judy Bowman
Title: Mayor

(Seal)

ATTEST:

____
Name: Randy Jones
Title: City Clerk

UMB BANK N.A.,
as Trustee

By: ______________________________
Name:
Title:

ATTEST:

By ______________________________
Name:
Title:

SCHEDULE 1 TO TRUST INDENTURE

THE PROJECT SITE

[INSERT LEGAL DESCRIPTION OF LAND SERVING AS COLLATERAL]

SCHEDULE 2 TO TRUST INDENTURE

THE PROJECT

The Project consists of storm water and sewer system improvements, including but not limited to (1) the construction of a dry detention basin, which will be located on a portion of the Project Site, (2) the installation of an ultraviolet disinfection system and building, which will be located on a portion of the Project Site, (3) replacing deteriorated sewer improvements near the Walmart distribution center in the City with a series of lift stations and force mains to transport sewage to the City's main wastewater treatment plant, a portion of which improvements will be located on the Project Site, and (4) the replacement of the Lake Luna and City Park spillways and rehabilitation of the dam on City Park Lake, which improvements will not be located on the Project Site.

EXHIBIT A TO TRUST INDENTURE

(FORM OF CERTIFICATE OF PARTICIPATION)

No. R-__________ **$__________**

EXCEPT AS OTHERWISE PROVIDED IN THIS INDENTURE (DESCRIBED HEREIN), THIS GLOBAL CERTIFICATE MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY (DESCRIBED HEREIN) OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.

UNITED STATES OF AMERICA

STATE OF MISSOURI

CITY OF HARRISONVILLE, MISSOURI
REFUNDING AND IMPROVEMENT CERTIFICATE OF PARTICIPATION
SERIES 2020

Interest Rate	Maturity Date	Dated Date	CUSIP Number

Registered Owner: ____

Principal Amount: _______________________________________ **DOLLARS**

THIS CERTIFIES THAT the Registered Owner shown above, or registered assignee, is the owner of an undivided interest in the right to receive Rental Payments (hereinafter described) from City of Harrisonville, Missouri, as lessee (the **"City"**), under an annually renewable Lease Agreement dated as of December 1, 2020, as amended and supplemented from time to time in accordance with the provisions thereof (the **"Lease"**), between the City, as lessor and UMB Bank N.A., Kansas City, Missouri, as Trustee (the **"Trustee"**). Payments under the Lease and this Certificate are secured by a pledge and assignment by the City of all of the City's rights and interest under the Lease and the Base Lease dated as of December 1, 2020, as amended and supplemented from time to time in accordance with the provisions thereof (the **"Base Lease"**), between the City and the Trustee, pursuant to a Trust Indenture dated as of December 1, 2020 (said Trust Indenture, as amended and supplemented from time to time in accordance with the provisions thereof, being herein called the **"Indenture"**), between the Trustee and the City. Under the Lease and this Indenture, the Registered Owner shown above, or registered assigns, is entitled to receive, but solely from Rental Payments to be made by the City under the Lease, upon the presentation and surrender of this Certificate, the Principal Amount shown above on the Maturity Date shown above, except as the provisions hereinafter set forth with respect to prepayment prior to maturity may become applicable hereto, and in like manner to receive interest on said Principal Amount at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months) from the Dated Date shown above or from the most recent interest payment date to which interest has been paid or duly provided for, payable semiannually on May 1 and November 1 in each year, beginning May 1, 2021, until said Principal Amount is paid.

The Principal Component, premium, if any, and Interest Component of the Rental Payments represented by this Certificate shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. Amounts representing the Principal Component and premium, if any, with respect to this Certificate shall be payable to the Registered Owner at the maturity or prepayment date hereof upon presentation and surrender of this Certificate at the payment office of the Trustee, or such other office designated by the Trustee. The Interest Components payable with respect to this Certificate on any interest payment date shall be paid by check or draft mailed by the Trustee to the person in whose name this Certificate is registered at the close of business on the Record Date for such interest, which shall be the fifteenth day (whether or not a Business Day) of the calendar month preceding the month in which such interest payment date occurs. Upon the request and at the expense of any Registered Owner of Certificate representing at least $500,000 in Principal Component payments with respect to the Certificates shall be made by electronic transfer to the bank for credit to the ABA routing number and the account name and account number designated to the Trustee by such Registered Owner no later than the five (5) Business Days preceding the Record Date.

This Certificate is one of a series of Refunding and Improvement Certificates of Participation consisting of $[Principal Amount] principal amount of City of Harrisonville, Missouri Refunding and Improvement Certificates of Participation, Series 2020 (the **"Series 2020 Certificates"**), which evidence the proportionate interests of the Registered Owners thereof in the right to receive certain Rental Payments from the City under the Lease. The Certificates have been delivered and sold for the purposes of (1) providing funds to pay the costs of a project, a portion of which is located on certain real property (the **"Project Site**,**"** the Project Site and all additions, modifications, improvements, replacements and substitutions made thereon and thereto and any additional facilities financed with Additional Certificates on the Project Site, including such portions of the Project as are located on the Project Site, being collectively referred to as the **"Facilities"**), to be leased to the City, and at certain other sites within the City, under the terms of the Lease, and (2) providing funds to current refund the Refunded Certificates.

Subject to the terms of this Indenture, the Trustee may deliver Additional Certificates on a parity with the Series 2020 Certificates (together with Additional Certificates, the **"Certificates"**). Reference is hereby made to this Indenture for a description of the provisions, among others, with respect to the nature and extent of the security for the Series 2020 Certificates, the rights, duties and obligations of the Trustee and the owners of the Series 2020 Certificates, and the terms upon which the Series 2020 Certificates are delivered and secured. Capitalized terms not otherwise defined herein shall have the meanings set forth in this Indenture.

The Series 2020 Certificates are subject to prepayment as described in the Indenture.

In the event any of the Certificates are called for prepayment as aforesaid, notice thereof identifying the Certificates to be prepaid will be given by mailing a copy of the prepayment notice at least 30 days prior to the prepayment date to the Registered Owner of each Certificate to be prepaid at the address shown on the Certificate Register maintained by the Trustee. Any notice of prepayment shall state the date and place of prepayment, the series, maturities and numbers of the Certificates or portions of Certificates to be prepaid (and in the case of the prepayment of a portion of any Certificate the principal amount thereof being prepaid), the prepayment price and that the Registered Owner will no longer be entitled to receive any additional Interest Component of the Rental Payments from and after the prepayment date. The Registered Owners of such Certificates or portion of the Principal Component with respect to the Certificates thus called for prepayment shall no longer be entitled to receive any additional Interest Component of the Rental Payments after the specified prepayment date, and such Certificates or portion of the Principal Component with respect to the Certificates thus called for prepayment shall no longer be entitled to the protection, benefit or security of this Indenture and shall not be deemed to be Outstanding under the provisions of this Indenture.

Each Certificate shall evidence the undivided interest of the Registered Owner thereof in the rights of the Trustee to receive Rental Payments from the City under the Lease. The Certificates are payable solely out of the Rental Payments and other payments, revenues and receipts derived from the City under the Lease (including, in certain circumstances, Certificate proceeds and income from the temporary investment thereof and Net Proceeds). The Certificates and the interest with respect thereto are secured by a pledge and assignment of the Trust Estate by the Trustee in favor of the Registered Owners of the Certificates, as provided in this Indenture. The Certificates shall not constitute a liability or obligation of the City beyond the Lease Term in effect at any time. The Certificates shall not constitute a general obligation or indebtedness of the City within the meaning of any constitutional or statutory debt limitation or restriction.

NO PROVISION, COVENANT OR AGREEMENT CONTAINED HEREIN OR IN THIS INDENTURE OR IN THE LEASE, OR ANY OBLIGATION HEREIN OR THEREIN IMPOSED ON THE TRUSTEE OR THE BREACH THEREOF, SHALL (1) CONSTITUTE OR GIVE RISE TO OR IMPOSE UPON THE TRUSTEE A PECUNIARY LIABILITY OR A CHARGE UPON THE GENERAL CREDIT OF THE TRUSTEE, OR (2) IMPOSE ANY PERSONAL LIABILITY ON ANY DIRECTOR, OFFICER, AGENT, OR EMPLOYEE OF THE TRUSTEE.

Pursuant to the provisions of the Lease, Rental Payments sufficient for the prompt payment when due of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates are to be made by the City directly to the Trustee and deposited in a special trust account created by this Indenture and designated **"Certificate Fund**."

The Registered Owner of this Certificate shall have no right to enforce the provisions of this Indenture or to institute any action to enforce the covenants therein, or to take any action with respect to any Event of Default or any Event of Nonappropriation under this Indenture (as defined therein), or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in this Indenture. In certain events, on the conditions, in the manner and with the effect set forth in this Indenture, amounts representing Principal Components with respect to all of the Certificates delivered under this Indenture and then Outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. This Indenture may be modified, amended or supplemented only to the extent and under the circumstances permitted by, and subject to the terms and conditions of, this Indenture.

The Certificates are delivered in the form of fully registered Certificates without coupons in the denominations of $5,000 or any integral multiple thereof.

The Certificates are being delivered by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in this Indenture. One certificate with respect to each date on which the Certificates are stated to mature or with respect to each form of Certificates, registered in the nominee name of the Securities Depository, is being delivered. The book-entry system will evidence positions held in the Certificates by the Securities Depository's participants, beneficial ownership of the Certificates in authorized denominations pursuant to this Indenture being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants. The City and the Trustee will recognize the Securities Depository nominee, while the registered owner of this Certificate, as the owner of this Certificate for all purposes, including (i) payments representing Principal Components, premium, if any, and Interest Components with respect to this Certificate, (ii) notices and (iii) voting. Transfer of amounts representing Principal and Interest Components and any premium payments to participants of the Securities Depository, and transfer of amounts representing Principal and Interest Components and any premium payments to beneficial owners of the Certificates by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The City and the Trustee will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its participants or persons acting through such participants. While the Securities Depository nominee is the owner of this Certificate, notwithstanding the provision hereinabove contained, payments of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by this Certificate shall be made in accordance with existing arrangements among the City, the Trustee and the Securities Depository.

EXCEPT AS OTHERWISE PROVIDED IN THIS INDENTURE, THIS GLOBAL CERTIFICATE MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.

This Certificate may be transferred or exchanged, as provided in this Indenture, only upon the registration books kept for that purpose at the above-mentioned office of the Trustee, upon surrender of this Certificate together with a written instrument of transfer or authorization for exchange satisfactory to the Trustee and duly executed by the Registered Owner or his duly authorized attorney, and thereupon a new Certificate or Certificates, in any authorized denomination of the same maturity and in the same aggregate principal amount shall be delivered by the Trustee to the transferee in exchange therefor as provided in this Indenture, and upon payment of the charges therein prescribed. The Trustee and any Paying Agent may deem and treat the Person in whose name this Certificate is registered on the Certificate Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, amounts representing the Principal Component, premium, if any, and Interest Component due with respect hereto and for all other purposes.

Subject to the conditions and upon the payment of the charges provided in this Indenture, the owner of any Certificate or Certificates may surrender the same (together with a written instrument of transfer satisfactory to the Trustee duly executed by the Registered Owner or his duly authorized attorney) in exchange for an equal aggregate principal amount of Certificates of any other authorized denominations.

This Certificate shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under this Indenture until it has been executed by the Trustee.

IT IS HEREBY CERTIFIED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of this Indenture and of this Certificate do exist, have happened and have been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, UMB Bank N.A., has caused this Certificate to be executed in its name by the manual signature of its authorized signatory and has caused this Certificate to be dated as of the Dated Date shown above.

UMB BANK N.A.,
Trustee and Paying Agent

By ____________________________________
Authorized Signatory

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

____

Print or Type Name, Address and Social Security Number
or other Taxpayer Identification Number of Transferee

the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints ____________________________ agent to transfer the within Certificate on the books kept by the Trustee for the registration and transfer of Certificates, with full power of substitution in the premises.

Dated: ________________

____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Certificate in every particular and must be guaranteed by an eligible guarantor.

Medallion Signature Guarantee:

LEGAL OPINION

The following is a true and correct copy of the approving legal opinion of Gilmore & Bell, P.C., Special Counsel, which was dated and issued as of the date of original execution and delivery of the Certificates:

GILMORE & BELL, P.C.
2405 Grand Boulevard, Suite 1100
Kansas City, Missouri 64108

[APPROVING LEGAL OPINION OF SPECIAL COUNSEL]

BASE LEASE

Grantor:	**City of Harrisonville, Missouri 300 E Pearl Street Harrisonville, MO 64701**
Grantee:	**UMB Bank N.A. 928 Grand Blvd., 12th Floor Kansas City, Missouri 64106 Attention: Corporate Trust Department**
Real Property Legal Description:	**See Schedule 1**
Dated as of:	**December 1, 2020**

BASE LEASE

THIS BASE LEASE (the **"Base Lease"**) dated as of December 1, 2020, by and between **CITY OF HARRISONVILLE, MISSOURI**, a fourth-class city and political subdivision duly organized and existing under the laws of the State of Missouri, as Site Lessor (the **"City"**), and the **UMB Bank N.A.**, a national banking association duly organized and existing under the laws of the United States of America with a corporate trust office located in Kansas City, Missouri, in its capacity as Trustee (together with its successors, the **"Trustee"**) under the Trust Indenture dated as of December 1, 2020, between the City and the Trustee, as Site Lessee.

WITNESSETH:

WHEREAS, the City owns fee simple title to the real estate described on **Schedule 1** attached hereto and all buildings and improvements thereon (the **"Project Site"**), and desires to finance or be reimbursed for the costs of projects (the **"Project"**) more specifically described in **Schedule 2** attached hereto (the Project Site and all additions, modifications, improvements, replacements and substitutions made thereon and thereto and any additional facilities installed, constructed or otherwise located on the Project Site and financed with the Certificates, including such portions of the Project as are located on the Project Site, being collectively referred to as the **"Facilities"**); and

WHEREAS, in order to refinance costs of certain improvements for the City, the City has previously issued its Refunding Certificates of Participation (City of Harrisonville, Missouri Projects), Series 2012 (the **"Series 2012 Certificates"**); and

WHEREAS, the City desires to lease the Project Site to the Trustee upon the terms and conditions herein set forth in order to provide for the financing of the Project and for the refunding of the outstanding principal amount of the Series 2012 Certificates (the **"Refunded Certificates"**); and

WHEREAS, the City proposes (a) to enter into a Trust Indenture of even date herewith (the **"Indenture"**), between the City and the Trustee, under which the Trustee will execute and deliver $[Principal Amount] principal amount of City of Harrisonville, Missouri Refunding and Improvement Certificates of Participation, Series 2020 (the "**Series 2020 Certificates"**), evidencing proportionate interests of the owners thereof in Rental Payments to be made by the City, as Lessee, pursuant to a Lease Agreement of even date herewith (the **"Lease"**), with the Trustee, as Lessor, to provide funds for the purposes described therein, and (b) to lease the Facilities from the Trustee pursuant to the Lease;

WHEREAS, the City and the Trustee may in the future amend the Indenture in connection with the execution and delivery of Additional Certificates (as hereinafter defined; the Series 2020 Certificates and the Additional Certificates being collectively referred to as the **"Certificates"**) to provide additional funds for capital projects of the City;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, the City and the Trustee do hereby covenant and agree as follows:

ARTICLE I

DEFINITIONS, RULES OF CONSTRUCTION

Section 1.1. Definitions of Words and Terms. In addition to words and terms defined herein or the Lease, capitalized words and terms as used in this Base Lease shall have the meanings given to such words and terms in the Indenture (which definitions are hereby incorporated by reference).

Section 1.2. Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words importing the singular number shall include the plural and vice versa, and words importing person shall include firms, associations and corporations, including public bodies, as well as natural persons. Accounting terms used herein and not otherwise specifically defined shall have the meaning ascribed such terms by accounting principles generally accepted in the United States of America as from time to time in effect. The table of contents hereto and the headings and captions herein are not a part of this document. Whenever an item or items are listed after the word "including," such listing is not intended to be a listing that excludes items not listed.

ARTICLE II

REPRESENTATIONS

Section 2.1. Representations of the City. The City represents, warrants and covenants to the Trustee as follows:

(a) The City is a fourth-class city and political subdivision duly organized and existing under the laws of the State of Missouri.

(b) The City has full power and authority to enter into this Base Lease and the transactions contemplated by this Base Lease and the Lease and to carry out its obligations hereunder and thereunder, and by proper action has duly authorized the execution and delivery of this Base Lease and the Lease by its duly authorized officers.

(c) The execution and delivery of this Base Lease and the Lease, the consummation of the transactions contemplated hereby and thereby, and the performance of or compliance with the terms and conditions of this Base Lease and the Lease by the City will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any mortgage, deed of trust, lease or any other restriction or any agreement or instrument to which the City is a party or by which it or any of its property is bound, or any order, rule or regulation applicable to the City or any of its property of any court or governmental body, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the City under the terms of any instrument or agreement to which the City is a party.

(d) The City has good and marketable fee simple title to the Project Site at the time of execution and delivery of the Series 2020 Certificates free and clear of any liens or encumbrances, except for Permitted Encumbrances, and such real estate will thereby be exempt from property and any other taxes levied by the State of Missouri or any political subdivision thereof or by the City.

(e) The lease of the Project Site by the City to the Trustee, as provided in this Base Lease, will enhance and expand the use of public facilities owned by the City and as a result thereof will serve all of the aforesaid purposes and is therefore necessary, desirable and in the public interest.

(f) The Facilities will comply in all material respects with all presently applicable building and zoning, health, environmental and safety ordinances and laws and all other applicable laws, rules and regulations.

ARTICLE III

LEASE OF THE PROJECT SITE

Section 3.1. Lease of Project Site. The City hereby demises and leases the Project Site to the Trustee, and the Trustee hereby leases the Project Site from the City, subject to Permitted Encumbrances, on the terms and conditions herein set forth.

Section 3.2. Base Lease Term. The term of this Base Lease shall commence as of the date of the delivery hereof and shall end on December 31, 2095, unless such term is sooner terminated as hereinafter provided.

Section 3.3. Quiet Enjoyment.

(a) Subject to the Lease, the Trustee at all times during the term of this Base Lease shall peaceably and quietly have and enjoy the Project Site, subject to Permitted Encumbrances. The Trustee shall use the Project Site solely for the purpose of financing the costs of acquiring, constructing, improving, furnishing and equipping the Project for the City and financing the costs of refunding the Refunded Certificates pursuant to the Lease; provided, that in the event of default by the City under the Lease, the Trustee may exercise the remedies provided in the Lease and this Base Lease.

(b) In the event that title to, or the temporary use of, all or a portion of the Facilities is challenged or threatened by means of competent legal or equitable action, the City covenants that it shall cooperate with the Trustee and shall take all reasonable actions, including where appropriate the lawful exercise of the City's power of eminent domain, in order to quiet title to the Facilities in the City.

Section 3.4. No Merger. Subject to **Section 5.1** hereof, no union of the interests of the City and the Trustee herein shall result in a merger of this Base Lease and the Lease or of this Base Lease and the fee title to the Project Site.

Section 3.5. Assignments, Subleases and Mortgage.

(a) Simultaneously with the delivery of this Base Lease, the Trustee is subleasing the Facilities to the City pursuant to the Lease, but subject to the Indenture and the reservation of certain rights under this Base Lease.

(b) The Trustee may not mortgage or otherwise assign its rights under this Base Lease or sublet the Facilities without the written consent of the City except (a) the sublease and lease of the Facilities pursuant to the Lease, (b) the assignment pursuant to the Indenture of its rights under this Base Lease and the Lease, (c) if the Lease is terminated for any reason and this Base Lease is not otherwise terminated as provided herein, or (d) if an Event of Default or an Event of Nonappropriation under the Lease has occurred.

(c) Except with respect to Permitted Encumbrances and as otherwise provided herein, in the Lease or in the Indenture, neither the Trustee nor the City shall, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Facilities. Whenever and as often as any mechanics' or other lien is filed against the Facilities, or any part thereof, the City shall discharge the same of record within 60 days after the date of filing. Notice is hereby given that the Trustee shall not be liable for any labor or materials furnished to the City or to anyone claiming by, through or under the City upon credit, and that no mechanics' or other lien shall attach to or affect the reversionary or other estate of the Trustee in and to the Facilities or any part thereof.

Section 3.6. Eminent Domain. In the event the whole or any part of the Project Site or the Project is taken by eminent domain proceedings, the interest of the Trustee shall be recognized. The proceeds of said condemnation shall be applied as provided in **Article VIII** of the Lease. The Trustee and the City have reached an agreement on the terms of the acquisition of the Facilities at City's option, and to the use of the Project, all as set forth in the Lease. Any acquisition of the Facilities or rights to their use by the City (whether pursuant to the exercise of eminent domain powers or otherwise) shall be pursuant to and in accordance with the Lease, including payment of Rental Payments and the applicable Option Purchase Price as set forth in the Lease. If the City allows the Lease to expire without exercising its option to purchase (whether by failure to exercise its option to extend the Lease for a Renewal Term, failure to exercise its option to purchase at the conclusion of the Maximum Lease Term or failure to cure an Event of Default under the Lease), that action shall constitute an irrevocable determination by the City that the Facilities are not required by it for any public purpose for the term of this Base Lease.

Section 3.7. Title Insurance. The City shall concurrently with the execution of this Base Lease obtain title insurance on the Project Site in the form of an ALTA owner's policy. The policy may not permit the title insurer to purchase any Certificates in lieu of providing payment under the policy unless, upon purchase, such Certificates are canceled, or to settle claims with any person other than the Trustee, acting with the consent of the Purchaser. The Net Proceeds of such title insurance policy shall be applied in accordance with the provisions of the Indenture and the Lease.

ARTICLE IV

RENTAL PROVISIONS

Section 4.1. Rent and Other Considerations. As and for rental hereunder and in consideration for the leasing of the Facilities to the Trustee hereunder, the Trustee shall:

(a) Cause the Series 2020 Certificates and any Additional Certificates to be delivered to the purchasers thereof having such terms as set forth in the Indenture; and

(b) Cause the proceeds of the sale of the Series 2020 Certificates and any Additional Certificates to be deposited as provided in the Indenture.

Section 4.2. Disbursement from Project Fund. The City will authorize and direct the Trustee to disburse moneys in the Project Fund for the payment, or for reimbursement to the City for payment, of the Project Costs upon the terms and conditions specified in the Indenture and in the Lease.

Section 4.3. Additional Certificates. The Trustee may deliver Additional Certificates for the purposes and upon the terms and conditions provided in the Indenture. If the City is not in default hereunder, the Trustee agrees, on request of the City, from time to time, to use its best efforts to deliver the amount of Additional Certificates specified by the City (within the limits and under the conditions specified herein and in the Indenture), provided that (a) the terms, purchase price and disposition of proceeds of the sale of such

Additional Certificates have been approved in writing by the City; (b) the Trustee and the City shall have entered into an amendment to the Lease, if necessary, and this Base Lease, if necessary, to provide for the lease of any additional improvements and extensions to the property of the City and the payment by the City of Rental Payments necessary to pay the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Additional Certificates; and (c) the City shall have otherwise complied with the provisions of the Indenture with respect to the issuance of such Additional Certificates.

ARTICLE V

TERMINATION

Section 5.1. Termination. This Base Lease shall terminate upon the completion of the Base Lease term specified in **Section 3.2** hereof; provided, however, in the event (i) the City pays all Rental Payments and Additional Payments required by the Lease during the Maximum Lease Term, or exercises the option to purchase the remaining Base Lease term of the Trustee hereunder and pays the then applicable Purchase Price as provided in the Lease, and (ii) the Indenture has been discharged in accordance with its terms, then this Base Lease shall be considered assigned to the City and terminated through merger of the leasehold interest with the fee interest if the City is the owner of the fee interest and elects to terminate the leasehold interest so acquired from the Trustee. The Trustee agrees, upon such assignment and termination of the Base Lease term, to quit and surrender the Facilities as they then exist to the City free and clear of encumbrances, except Permitted Encumbrances.

Section 5.2. Default by the City. If an Event of Default or an Event of Nonappropriation under the Lease occurs for any reason, or if the City terminates the Lease and fails to purchase the Trustee's interest in the Facilities as provided in the Lease, the Trustee, or its assignee, shall have the right to possession of the Facilities for the remainder of the Base Lease term and shall have the right to sublease the same or sell its interest in this Base Lease upon whatever terms and conditions it deems prudent. In the event the Trustee takes possession of the Facilities, the Trustee shall obtain, but solely to the extent of funds available to it for such use under the Indenture, the same insurance coverage with respect to the Facilities as the City is required to obtain under the Lease for the remainder of the Base Lease term and will furnish the City with evidence thereof. In the event that the Trustee shall receive a payment for the sale of its interest or total rental payments for subleasing that are, after the payment of the Trustee's expenses in connection therewith including fees and expenses of the Trustee, in excess of the purchase price applicable at the time of termination or default plus interest thereon at the interest rate per annum borne by the Certificates (which must be an amount sufficient to pay the Principal Component, premium, if any, and Interest Component with respect to the Certificates, or to provide for the payment thereof as provided in **Article XIII** of the Indenture, with amounts so received to be credited first to such Interest Component and then to Principal Component), then such excess shall be paid to the City by the Trustee, its assigns or its sublessee.

Section 5.3. Default by the Trustee. Notwithstanding any default by the Trustee hereunder, the City shall not have the right to exclude the Trustee from the Facilities or to take possession thereof (except pursuant to the Lease) or to terminate this Base Lease prior to the termination of the Base Lease term; except that if, upon exercise of the option to purchase the Trustee's interest in the Facilities under the Lease granted to the City in the Lease and after the payment of the purchase price specified therein and the other sums payable under the Lease, the Trustee fails to convey its interest therein to the City pursuant to said option, then the City shall have the right to terminate this Base Lease, such termination to be effective 30 days after delivery of written notice of such termination to the Trustee. However, in the event of any default by the Trustee hereunder, the City may maintain an action for damages or, if permitted in equity, for specific performance. In no event shall the Trustee be liable for consequential or punitive damages.

ARTICLE VI

MISCELLANEOUS PROVISIONS

Section 6.1. Amendments, Changes and Modifications. This Base Lease may not be effectively amended, changed, modified, altered or terminated, except as provided in the Indenture.

Section 6.2. Notices. Any notice, request, complaint, demand or other communication required by this Base Lease to be given to or filed with the City or the Trustee shall be in writing and shall be given or filed in the manner and at the addresses specified in the Indenture.

Section 6.3. Waiver of Personal Liability. All liabilities under this Base Lease on the part of the Trustee are corporate liabilities of the Trustee, and, to the extent permitted by law, the City hereby releases each and every incorporator, member, director and officer of the Trustee of and from any personal or individual liability under this Base Lease. No incorporator, member, director or officer of the Trustee shall at any time or under any circumstances be individually or personally liable under this Base Lease for anything done or omitted to be done by the Trustee hereunder.

Section 6.4. Binding Effect. This Base Lease shall inure to the benefit of and shall be binding upon the City, the Trustee and their respective successors and assigns.

Section 6.5. Severability. In the event any provision of this Base Lease shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

Section 6.6. Execution in Counterparts. This Base Lease may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute but one and the same instrument.

Section 6.7. Applicable Law. This Base Lease shall be governed by and construed in accordance with the laws of the State of Missouri.

Section 6.8. Electronic Storage of Documents. The Trustee and the City agree that the transaction described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions or original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Base Lease to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

CITY OF HARRISONVILLE, MISSOURI, as Site Lessor

By:____
Name: Judy Bowman
Title: Mayor

(SEAL)

ATTEST:

____
Name: Randy Jones
Title: City Clerk

ACKNOWLEDGMENT

STATE OF MISSOURI)
) **SS.**
COUNTY OF CASS)

On this _____ day of __________ 2020, before me, the undersigned, a Notary Public, appeared **JUDY BOWMAN**, to me personally known, who, being by me duly sworn, did say that she is the Mayor of the **CITY OF HARRISONVILLE, MISSOURI**, a fourth-class city and political subdivision duly organized and existing under the laws of the State of Missouri, and that the seal affixed to the foregoing instrument is the corporate seal of said City, and that said instrument was signed and sealed in behalf of said City by authority of its Board of Aldermen, and said officer acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

____
Printed Name: __________________________
Notary Public in and for said State
Commissioned in _______________ County

UMB BANK N.A.,
as Site Lessee

By:_________________________________
Name:
Title:

(SEAL)

ATTEST:

____
Name:
Title:

ACKNOWLEDGMENT

STATE OF MISSOURI)
) SS.
COUNTY OF _____________)

On this ____ day of ______, 2020, before me, the undersigned, a Notary Public, appeared __________________, who being before me duly sworn did say that [s]he is a ____________________ of **UMB BANK N.A.**, a national banking association, and that said officer being authorized so to do executed the foregoing instrument for the purposes therein contained by signing on behalf of the bank as such officer.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

____
Printed Name: _________________________
Notary Public in and for said State
Commissioned in _______________ County

SCHEDULE 1 TO BASE LEASE
THE PROJECT SITE

[INSERT LEGAL DESCRIPTION OF LAND SERVING AS COLLATERAL]

SCHEDULE 2
TO BASE LEASE

THE PROJECT

The Project consists of storm water and sewer system improvements, including but not limited to (1) the construction of a dry detention basin, which will be located on a portion of the Project Site, (2) the installation of an ultraviolet disinfection system and building, which will be located on a portion of the Project Site, (3) replacing deteriorated sewer improvements near the Walmart distribution center in the City with a series of lift stations and force mains to transport sewage to the City's main wastewater treatment plant, a portion of which improvements will be located on the Project Site, and (4) the replacement of the Lake Luna and City Park spillways and rehabilitation of the dam on City Park Lake, which improvements will not be located on the Project Site.

LEASE AGREEMENT

Dated as of December 1, 2020

Between

UMB BANK N.A.,
as Lessor

and

CITY OF HARRISONVILLE, MISSOURI,
as Lessee

LEASE AGREEMENT

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LEASE AGREEMENT

THIS LEASE AGREEMENT, dated as of December 1, 2020 (the **"Lease"**), between the **UMB BANK N.A.**, a national banking association duly organized and existing under the laws of the United States of America with a corporate trust office located in Kansas City, Missouri, in its capacity as Trustee under the hereinafter referred to Indenture (the **"Lessor"**), and **CITY OF HARRISONVILLE, MISSOURI**, a fourth-class city duly organized and existing under the laws of the State of Missouri (the **"Lessee"**).

WITNESSETH:

WHEREAS, the Lessee is authorized pursuant to the Revised Statutes of Missouri, as amended, to sell or lease any existing sites owned by the Lessee, together with any existing buildings, structures and facilities thereon, in order to provide for the acquisition, construction, improvement, extension, repair, remodeling, renovation, furnishing and equipping buildings, structures and facilities thereon, and then lease back or purchase such sites, buildings, structures and facilities; and

WHEREAS, in order to refinance costs of certain improvements for the City, the City has previously issued its Refunding Certificates of Participation (City of Harrisonville, Missouri Projects), Series 2012 (the "**Series 2012 Certificates**"); and

WHEREAS, pursuant to an Ordinance adopted by the Lessee on October ___, 2020, the Lessee has been authorized (a) enter into a Base Lease with the Lessor, dated as of the date hereof (the **"Base Lease"**), pursuant to which the Lessee shall grant a leasehold interest to the Lessor for a maximum Base Lease Term ending on December 31, 2095, in certain real estate described in **Schedule 1** attached hereto and any existing buildings, structures and improvements located thereon (the **"Project Site"**), and (b) to enter into this annually renewable Lease with the Lessor under which the Lessee will (i) provide for projects (the **"Project"**) more specifically described in **Schedule 2** attached to this Lease (the Project Site and all additions, modifications, improvements, replacements and substitutions made thereon and thereto and any additional facilities installed, constructed or otherwise located on the Project Site and financed with Certificates (as hereinafter defined), including such portions of the Project as are located on the Project Site, being collectively referred to as the **"Facilities"**), (ii) current refund the outstanding principal amount of the Series 2012 Certificates (the "Refunded Certificates") and (iii) lease the Facilities from the Lessor for an initial term ending December 31, 2020 (the **"Initial Term"**), with successive one-year renewal options (the **"Renewal Terms"**) exercisable by the Lessee subject to annual budget appropriations, except that the final Renewal Term may be for a period of less than one year as provided in this Lease; and

WHEREAS, in order to provide funds to pay the costs of the Project and the costs of refunding the Refunded Certificates, the Lessor will, pursuant to a Trust Indenture, dated as of the date hereof (the **"Indenture"**), sell a series of City of Harrisonville, Missouri Refunding and Improvement Certificates of Participation, Series 2020, in the aggregate principal amount of $[Principal Amount] (the **"Series 2020 Certificates"**), and is authorized to sell one or more additional series of Certificates of Participation for other purposes authorized by the Indenture (such additional Certificate of Participation together with the Series 2020 Certificates being collectively referred to as the **"Certificates"**), evidencing proportionate interests of the owners thereof in Rental Payments (as defined in the Indenture) payable pursuant to this Lease; and

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, the Lessor and the Lessee do hereby covenant and agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions of Words and Terms. In addition to any words and terms defined elsewhere in this Lease, capitalized words and terms used in this Lease shall have the meanings given to such words and terms in **Section 101** of the Indenture (which definitions are hereby incorporated by reference).

Section 1.2. Rules of Construction.

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

(b) All references in this Lease to a particular article, section, other subdivision, exhibit, schedule or appendix shall be construed to be a reference to the specified article, section or other subdivision or exhibit, schedule or appendix hereto unless the context or use clearly indicates another or different meaning or interest. The words "herein," "hereof," "hereunder" and other words of similar import refer to this Lease as a whole and not to any particular Article, Section or other subdivision.

(c) The section and article headings herein are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions hereof.

(d) Whenever an item or items are listed after the word "including," such listing is not intended to be a listing that excludes items not listed.

ARTICLE II

REPRESENTATIONS

Section 2.1. Representations by the Lessee. The Lessee makes the following representations as the basis for the undertakings on its part herein contained:

(a) The Lessee is a fourth-class city duly organized and existing under the laws of the State.

(b) The Lessee has lawful power and authority to enter into this Lease, the Indenture and the Base Lease and to carry out its obligations under this Lease, the Indenture and the Base Lease and by proper action of its City Council has been duly authorized to execute and deliver this Lease, the Indenture and the Base Lease, acting by and through its duly authorized officers.

(c) The execution and delivery of this Lease, the Indenture and the Base Lease, the consummation of the transactions contemplated thereby, and the performance of or compliance with the terms and conditions of this Lease, the Indenture and the Base Lease by the Lessee will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any mortgage, deed of trust, lease or any other restriction or any agreement or instrument to which the Lessee is a party or by which it or any of its property is bound, or any order, rule or regulation applicable to the Lessee or any of its property of any court or governmental body, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Lessee under the terms of any instrument or agreement to which the Lessee is a party.

(d) The acquisition, construction, improving, furnishing and equipping of the Project and the leasing of the Facilities by the Lessor to the Lessee will advance the purposes of the Lessee, and the Project upon completion thereof will constitute essential governmental property to the Lessee.

(e) The Facilities will comply in all material respects with all presently applicable building and zoning, health, environmental and safety ordinances and laws and all other applicable laws, rules and regulations.

(f) This Lease, the Indenture and the Base Lease constitute legal, valid and binding obligations of the Lessee enforceable in accordance with their terms, except to the extent limited by bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

(g) To the knowledge of the Lessee, there is no litigation or proceeding pending or threatened against the Lessee or any other person affecting the right of the Lessee to execute this Lease, the Indenture or the Base Lease or the ability of the Lessee to make the payments required under this Lease or to otherwise comply with the obligations contained in this Lease, the Indenture or the Base Lease, or to consummate the transactions contemplated in this Lease, the Base Lease or the Indenture, or that otherwise materially and adversely affect the financial condition of the Lessee.

(h) No member of the governing body of the Lessee or any other officer of the Lessee has any significant conflicting interest, financial, employment or otherwise, in the Lessee, the Facilities or in the transactions contemplated hereby.

(i) The execution and delivery of this Lease, the Indenture and the Base Lease by the Lessee will not conflict with or result in a breach of any of the terms of, or constitute a default under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Lessee is a party or by which it or any of its property is bound or any of the rules or regulations applicable to the Lessee or its property of any court or other governmental body.

(j) The Lessee is a governmental unit under the laws of the State with general taxing powers, and 95% or more of the net proceeds of the Certificates will be used for local governmental activities of the Lessee.

ARTICLE III

GRANTING PROVISIONS

Section 3.1. Lease of Facilities. The Lessor rents, leases and lets the Facilities to the Lessee, and the Lessee rents, leases and hires the Facilities from the Lessor, for the rentals and upon and subject to the terms and conditions contained in this Lease.

Section 3.2. Lease Term.

(a) This Lease shall become effective upon its delivery, and subject to earlier termination pursuant to the provisions of this Lease, shall have an Initial Term terminating on the last day of the Lessee's current Fiscal Year.

(b) The Lease Term may be extended, solely at the option of the Lessee, at the end of the Initial Term or any Renewal Term for an additional Renewal Term up to the Maximum Lease Term.

(c) At the end of the Initial Term and at the end of each Renewal Term, the Lessee shall be deemed to have exercised its option to continue this Lease for the next Renewal Term, unless the Lessee delivers written notice to the Lessor no later than December 31 of each year stating the Lessee's intention to not extend the Lease Term. The Lessee's option to renew or not to renew this Lease shall be conclusively determined by whether or not the Board of Aldermen of the Lessee has, on or before the December 31 immediately preceding the end of the Initial Term or any Renewal Term then in effect, budgeted and appropriated, specifically with respect to this Lease, moneys sufficient to pay all the Rental Payments and reasonably estimated Additional Payments for the ensuing Renewal Term. The City Administrator of the Lessee (or any other officer at any time charged with the responsibility of preparing budget proposals) is hereby directed to include in the budget proposal submitted to the Board of Aldermen, in any year in which this Lease shall be in effect, items for all payments required for the next ensuing Renewal Term under this Lease; it being the intention of the Board of Aldermen that the decision to renew or not to renew this Lease shall be made solely by the Board of Aldermen and not by any other official of the Lessee. The Lessee shall in any event, whether or not this Lease is to be renewed, furnish to the Lessor and the Purchaser copies of its annual budget promptly after the budget is adopted, but in any case no later than 30 days later than the end of each Fiscal Year.

(d) The Lessee's option to renew or not to renew this Lease may not be exercised at any time during which an Event of Default has occurred and is then continuing under any of the terms of this Lease; provided, however, that if such Event of Default (money payments excepted) is of such nature that the same is curable but not within the period allowed for curing such Event of Default, then the right of the Lessee to exercise the option hereby granted shall not be suspended if the Lessee shall have promptly commenced within such period to comply with the provisions of this Lease which shall have been breached by it and if so long as the Lessee shall, with diligence and continuity, proceed to cure such Event of Default.

(e) The Lessee intends, subject to the provisions above respecting the failure of the Lessee to budget or appropriate funds to make Rental Payments and Additional Payments, to continue this Lease Term and to pay the Rental Payments and Additional Payments under this Lease. The Lessee reasonably believes that legally available funds in an amount sufficient to make all Rental Payments and Additional Payments during the Initial Term and each Renewal Term can be obtained. The Lessee further intends to do all things lawfully within its power to obtain and maintain funds from which the Rental Payments and Additional Payments may be made, including making provision for such Rental Payments and Additional Payments to the extent necessary in each proposed annual budget submitted for approval in accordance with applicable procedures of the Lessee and to exhaust all available reviews and appeals in the event such portion of the budget is not approved. Notwithstanding the foregoing, the decision to budget and appropriate funds or to continue the Lease Term is to be made in accordance with the Lessee's normal procedures for such decisions.

(f) The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Initial Term, except that the Rental Payments and the Option Purchase Price shall be as provided in the schedules set forth in **Schedule 4** to this Lease, as such schedules may be revised as provided in the Indenture.

Section 3.3. Termination of the Lease Term. The Lease Term will terminate, and all of the Lessee's right, title and interest in and to this Lease (except to the extent of any conveyance pursuant to **Article XI** of this Lease) and its obligations thereunder shall terminate without penalty upon the earliest to occur of any of the following events:

(a) the expiration of the Initial Term or any Renewal Term and the nonrenewal of the Lease Term resulting from an Event of Nonappropriation pursuant to **Section 5.5** of this Lease (which is not thereafter waived by the Lessor as herein provided);

(b) the exercise by the Lessee of the option to purchase the Facilities pursuant to **Section 11.1** of this Lease;

(c) an Event of Default and the Lessor's election to terminate this Lease as provided in **Article XII** of this Lease;

(d) the payment by the Lessee of all Rental Payments and Additional Payments authorized or required to be paid by the Lessee under this Lease during the Maximum Lease Term; or

(e) December 31, 2050 (unless otherwise provided in a Supplemental Lease).

Section 3.4. Possession and Use of the Facilities.

(a) The Lessor covenants and agrees that as long as the Lessee shall not be in default under this Lease, the Lessee shall have sole and exclusive possession of the Facilities (subject to the Lessor's right of access pursuant to **Section 3.5** of this Lease) and shall and may peaceably and quietly have, hold and enjoy the Facilities during the Lease Term. The Lessor covenants and agrees that it will not take any action, except as expressly set forth in this Lease and the Indenture, to prevent the Lessee from having quiet and peaceable possession and enjoyment of the Facilities during the Lease Term and will, at the request and expense of the Lessee, cooperate with the Lessee in order that the Lessee may have quiet and peaceable possession and enjoyment of the Facilities and will defend the Lessee's enjoyment and possession thereof against all parties.

(b) Subject to the provisions of this Section, the Lessee shall have the right to use the Facilities for any purpose allowed by law. The Lessee shall comply in all material respects with all statutes, laws, ordinances, orders, judgments, decrees, regulations, directions and requirements of all federal, state, local and other governments or governmental authorities (including without limitation all environmental laws), now or hereafter applicable to the Facilities and the other property of the Lessee or to any adjoining public ways, as to the manner of use or the condition of the Facilities or of adjoining public ways. The Lessee shall also comply with the mandatory requirements, rules and regulations of all insurers under the policies required to be carried by the provisions of **Article VI** of this Lease. The Lessee shall pay all costs, expenses, claims, fines, penalties and damages that may in any manner arise out of, or be imposed as a result of, the failure of the Lessee to comply with the provisions of this Section. Notwithstanding any provision contained in this Section, however, the Lessee shall have the right, at its own cost and expense, to contest or review by legal or other appropriate procedures the validity or legality of any such governmental statute, law, ordinance, order, judgment, decree, regulation, direction or requirement, or any such requirement, rule or regulation of an insurer, and during such contest or review the Lessee may refrain from complying therewith unless the Lessor shall notify the Lessee that, in the opinion of Counsel, by noncompliance the interest of the Lessor in the Facilities will be materially endangered or the Facilities or any part thereof will be subject to loss or forfeiture, in which event the Lessee shall promptly comply therewith or provide the Lessor with full security against any such loss or forfeiture, in form satisfactory to the Lessor.

Section 3.5. Right of Access to the Facilities. The Lessee agrees that the Lessor and its duly authorized agents shall have the right at reasonable times during business hours, subject to the Lessee's usual safety and security requirements, to examine and inspect the Facilities without interference or prejudice to the Lessee's operations. The Lessee further agrees that the Lessor and its duly authorized agents shall have such rights of access to the Facilities (a) as may be reasonably necessary to effect the completion of the acquisition, construction, furnishing and equipping of the Project specified in **Section 4.2** of this Lease, (b) maintaining and performing such work in and about the Facilities made necessary by reason of the Lessee's default under any of the provisions of this Lease, and (c) exhibiting the Facilities to prospective purchasers, lessees or trustees subsequent to an Event of Default or Event of Nonappropriation.

ARTICLE IV

EXECUTION AND DELIVERY OF CERTIFICATES; CONSTRUCTION OF THE PROJECT

Section 4.1. Execution and Delivery of Certificates.

(a) In order to provide funds to finance Project Costs or to reimburse the Lessee for Project Costs and to provide funds to current refund the Refunded Certificates, the Lessor will, concurrently with the delivery of this Lease, execute and deliver the Certificates under the Indenture, each Certificate evidencing the undivided interest of the Registered Owner thereof in the rights to receive Rental Payments and other payments under this Lease. The proceeds of the sale of the Certificates shall be paid to the Lessor as provided in the Indenture to be used and applied as hereinafter provided in this Article and in the Indenture.

(b) The Lessee may authorize the execution and delivery of Additional Certificates from time to time upon the terms and conditions provided in **Section 209** of the Indenture.

(c) If the Lessee is not in default under this Lease, the Lessor will, at the request of the Lessee, from time to time, execute and deliver the amount of Additional Certificates specified by the Lessee; provided that the terms and provisions of such Additional Certificates, the purchase price to be paid therefor and the manner in which the proceeds therefrom are to be disbursed shall have been approved in writing by the Lessee, and provided further that the Lessee shall have entered into an amendment to this Lease to provide for additional Rental Payments represented by the Additional Certificates when due, and the Lessee shall have otherwise complied with the provisions of the Indenture with respect to the execution and sale of such Additional Certificates. The terms and provisions of any Additional Certificates shall be set forth in the Supplemental Indenture authorizing such Additional Certificates.

Section 4.2. Acquisition, Construction, Improvement and Equipping of the Project.

(a) The Lessee will acquire, construct, improve, furnish and equip the Project in accordance with the Construction Contracts and the Plans and Specifications. The Lessee may make minor changes in and to the Construction Contracts and the Plans and Specifications incorporated therein, but major changes may only be made with the approval of the Lessor. The Lessee agrees that it will use its best efforts to cause the acquisition, construction, improvement, furnishing and equipping of the Project to be completed as soon as practicable with all reasonable dispatch.

(b) The Lessee shall ensure that the Project conforms to all applicable health, safety, environmental and building codes, regulations and standards.

Section 4.3. Payment for Project Costs.

(a) All Project Costs shall be paid by the Lessor from moneys in the Project Fund upon receipt by the Lessor of requisition certificates in substantially the form attached hereto as **Schedule 3** to this Lease in accordance with **Section 504** of the Indenture.

(b) If the Project Fund shall be insufficient to pay fully all Project Costs and to complete fully the Project free of liens or claims, the Lessee shall pay, but only from legally available funds, the full amount of any such deficiency by making payments directly to the Construction Contractors and to the suppliers of materials and services as the same shall become due, and the Lessee shall save the Lessor whole and harmless from any obligation to pay such deficiency.

Section 4.4. Establishment of Completion Date.

(a) The Completion Date shall be evidenced by delivery to the Lessor of the Completion Certificate signed by the Authorized City Representative stating (i) that the acquisition, construction, improvement, furnishing and equipping of the Project has been completed in accordance with the Plans and Specifications, (ii) that all Project Costs have been paid except costs and expenses the payment of which is not yet due or is being retained or contested in good faith by the Lessee, and (iii) amounts to be retained by the Lessor with respect to item (ii) above. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being.

(b) Upon receipt of the Completion Certificate, any remaining moneys then in the Project Fund shall be applied by the Lessor as provided in **Section 505** of the Indenture.

(c) If an Event of Nonappropriation or an Event of Default shall occur prior to the delivery of the Completion Certificate pursuant to **Section 505** of the Indenture, or, in the event that the Project is not substantially completed, as evidenced by delivery of the Completion Certificate on or prior to the date that is three years after the date the Certificates are issued, the moneys remaining in the Project Fund may be utilized by the Lessor to complete construction of the Project or, upon termination of the term of this Lease, may be disbursed as provided in the Indenture.

(d) The Lessee hereby covenants, to the extent permitted by law, to use other available funds, but only to the extent contemplated by the Construction Contracts or from lawfully available moneys specifically appropriated for that purpose, to the extent necessary to complete the design and construction of the Project as herein required, or to make certain design changes in the Project to the extent necessary to complete the Project with moneys then available for such purposes in the Project Fund.

Section 4.5. Project Documents. The Lessee, at its own cost and expense, will deliver to the Lessor, upon request, copies of the following documents (which shall be collectively referred to herein as the "Project Documents"):

(a) ***Plans and Specifications.*** All available preliminary and final Plans and Specifications (the Lessee agrees to deliver to the Lessor the final versions of such preliminary Plans and Specifications as such final versions become available and in any event by such time as work is commenced on the portion of the Project to which such Plans and Specifications relate).

(b) ***Construction Contracts.*** All architect's and general contractor's contracts for the Project and all prime subcontractor's contracts and purchase orders for any equipment included in the Project deemed necessary by the Lessor.

(c) ***Performance and Payment Bonds.*** Performance (if obtained, in the discretion of the Lessee), labor and material payment bonds with respect to the Construction Contracts in the full amount required by law, made by the Construction Contractor thereunder as the principal and a surety company or companies licensed and qualified to do business in the State as surety. Any and all moneys received by the Lessee or the Lessor under such bonds or from the Construction Contractor or other suppliers of machinery or equipment by way of breach of contract, refunds or adjustments shall become a part of and be deposited in the Project Fund.

If, at any time during the acquisition, construction, furnishing and equipping of the Project, the surety on such bond shall be disqualified from doing business within the State, or shall otherwise become incapable of performing its obligations under such bond, an alternate surety shall be selected, licensed and qualified to do business in the State as surety. In the event of any change order resulting in an increase in the Project Costs in accordance with the Construction Contracts, the amounts of such bond pertaining thereto shall be increased to include the cost of such additional work or materials or fixtures to be incorporated in the Project, to the extent required by law.

Neither the Project Documents nor any change or amendment thereto shall (i) cause the Project to be used for any purpose prohibited hereby or by the Constitution and laws of the State; (ii) result in a material reduction in the value of the Project; or (iii) adversely affect the ability of the Lessee to meet its obligations under this Lease.

Section 4.6. Changes or Amendments to Project Documents. The Lessee may make, authorize or permit such changes or amendments in the Project Documents as it may reasonably determine to be necessary or desirable; provided, however, that no such change or amendment shall be made to the Project Documents that would cause a material change in the cost, scope, nature, or function of the Project, unless the Lessee files with the Lessor (1) a certificate of an Authorized City Representative to the effect that such change or amendment will not result in the Project being used for any purpose prohibited by this Lease or otherwise result in the Lessee failing to comply with any provisions of this Lease, and (2) for those Certificates with Interest Components of the Rental Payments which are excludable from gross income for federal income tax purposes, an Opinion of Special Counsel to the effect that such change or amendment will not result in the Interest Component of the Rental Payments for such Certificates becoming includable in gross income for federal income tax purposes. In the case of any change that would render materially inaccurate the description of the Project in **Schedule 2** to this Lease and to the Indenture, there shall be delivered to the Lessor a revised **Schedule 2** containing a description of the Project that reflects the change in the Project Documents, the accuracy of which shall have been certified by the Lessee.

Section 4.7. Title to Portions of the Project. Title to the personal property included in the Project and any and all additions and modifications to or replacements of any such portion of the Project shall be held in the name of the Lessee, subject to rights of the Lessor under this Lease and the Indenture. If an Event of Default occurs as set forth in **Section 12.1** of this Lease or if an Event of Nonappropriation shall occur, title to the personal property included in the Project shall, at the option of the Lessor, thereafter immediately and without any action by the Lessee vest in the Lessor, and the Lessee will, upon the Lessor's request, reasonably surrender possession of the Facilities to the Lessor. It is the intent of the parties hereto that any transfer of title to the Lessor pursuant to this Section shall occur automatically without the necessity of any bill of sale, certificate of title or other instrument or conveyance. The Lessee irrevocably designates, makes, constitutes and appoints the Lessor as the Lessee's true and lawful attorney (and agent in fact) with power, at such time of termination or times thereafter as Lessor in its sole and absolute discretion may determine, in the Lessee's or Lessor's name, to endorse the name of the Lessee upon any bill of sale, document, instrument, invoice, freight bill, bill of lading or similar document relating to the personal property included in the Project in order to vest title in the Lessor.

Section 4.8. Machinery and Equipment Purchased by the Lessee. The Lessee may from time to time at its own expense install machinery, equipment and other tangible property at the Facilities. Any item of machinery or equipment the entire purchase price of which is paid by the Lessee with the Lessee's own funds, and no part of the purchase price of which is paid from funds deposited pursuant to the terms of this Lease in the Project Fund nor from any other funds deposited with the Lessor pursuant to the Indenture, shall be and remain the property of the Lessee and shall not constitute part of the Facilities; provided, however, that title to any such machinery, equipment and other tangible property which becomes permanently affixed to real property shall be, subject to this Lease, and shall be included under the terms of this Lease in the event that the Facilities would be damaged or impaired by the removal of such machinery, equipment or other tangible property.

Section 4.9. Investment of Moneys in Funds. Any moneys held as a part of the Funds held by the Lessor under the Indenture shall, at the written direction of the Authorized City Representative, be invested or reinvested by the Lessor, to the extent permitted by law, in Permitted Investments in accordance with the provisions of **Section 702** of the Indenture.

ARTICLE V

PAYMENTS

Section 5.1. Rental Payments.

(a) The Lessee covenants and agrees to make Rental Payments, exclusively from legally available funds, in lawful money of the United States of America, to the Lessor at its corporate trust office or such other office as the Lessor shall designate during the Initial Term and each Renewal Term, in the amounts and on or before each Certificate Payment Date set forth in **Schedule 4** hereto (or on any other date a Rental Payment is due with respect to the Facilities whether at stated maturity, upon prepayment or declaration of acceleration or otherwise), in funds which will be immediately available to the Lessor in the applicable subaccount of the Certificate Fund on the due dates. Each Rental Payment shall be in consideration for the use of the Facilities by the Lessee for the period from the effective date of this Lease or the immediately preceding Rental Payment Date. All Rental Payments provided for in this Section shall be paid by the Lessee directly to the Lessor and shall be deposited in accordance with the provisions of the Indenture into the applicable subaccount of the Certificate Fund. The amounts deposited in the Certificate Fund shall be used and applied by the Lessor in the manner and for the purposes set forth in the Indenture.

(b) There shall be credited against Rental Payments any amount held in the Certificate Fund on each Rental Payment Date, including any portion of the proceeds of the sale of the Certificates which is deposited in the Certificate Fund.

(c) A portion of each Rental Payment is to be paid as, and represents the payment of, interest on an obligation of the Lessee (the **"Interest Component"**), and **Schedule 4** attached hereto sets forth the Interest Component of each Rental Payment during the Lease Term. The Rental Payments and Option Purchase Price are to be recalculated by the Lessor and the Lessee understands that the Rental Payment Schedule on **Schedule 4** shall be revised from time to time in the event of a partial prepayment of Certificates (other than any mandatory prepayments pursuant to the Indenture). The Lessee hereby agrees to pay the Rental Payments in accordance with the Rental Payment Schedule attached as **Schedule 4** as it may be revised from time to time by such amounts as are necessary to reflect the prepayment of the Principal Component represented by certain Certificates. Each Rental Payment shall be applied first as a payment of the Interest Component and then as a payment of the Principal Component and reduction of the Option Purchase Price as shown on **Schedule 4**.

(d) If the Lessee fails to make any portion of the Rental Payments which are due under this Lease, the Lessee will immediately quit and vacate the Facilities, and the Rental Payments (except for Rental Payments which have been theretofore appropriated and then available for such purpose) shall thereupon cease, it being understood between the parties that neither the Lessee nor any agency or political subdivision thereof is obligated to make any Rental Payments which are due to the Lessor or the Option Purchase Price under this Lease except as provided herein. Should the Lessee fail to pay any portion of the required Rental Payments or Additional Payments and then fail to immediately quit and vacate the Facilities, the Lessor in accordance with the Indenture may immediately bring legal action to evict the Lessee from the Facilities (and the Lessee shall, to the extent permitted by law, pay as damages for its failure to quit and vacate the Facilities upon termination of the then current term of this Lease in violation of the terms of this Lease an amount equal to the Rental Payments and Additional Payments otherwise payable during such term prorated on a daily basis) and commence proceedings to exercise available rights and remedies under this Lease or the Base Lease. No judgment may be entered against the Lessee for failure to make any Rental Payments, Additional Payments or the Option Purchase Price under this Lease, except to the extent that the Lessee has theretofore incurred liability to make any such payments through its actual use and occupancy of the Facilities, or through its exercise of an option that renews this Lease for an additional Renewal Term for which moneys have been appropriated, or is otherwise obligated to make such payments pursuant to this Lease.

Section 5.2. Additional Payments. The Lessee shall pay as Additional Payments the following amounts:

(a) All fees, charges and expenses reasonably incurred, including agent and counsel fees and expenses, of the Lessor and the Paying Agent incurred under the Indenture and this Lease, and in connection with the performance of the Lessor's obligations under this Lease, the Base Lease or the Indenture, as and when the same become due.

(b) All costs incident to the payment of the Principal Component, premium, if any, and Interest Component represented by the Certificates as the same become due and payable, including all costs and expenses in connection with the call, prepayment and payment of Certificates.

(c) All expenses incurred in connection with the enforcement of any rights under this Lease, the Base Lease or the Indenture by the Lessor or the Registered Owners.

(d) All arbitrage rebate required to be paid to the United States, if any, as provided in the Indenture and the Tax Compliance Agreement.

(e) All other payments of whatever nature which the Lessee has agreed to pay or assume under the provisions of this Lease, the Indenture or the Base Lease.

The Lessee shall designate in writing to the Lessor an address to which all applicable statements, invoices and requisitions for Additional Payments are to be mailed. Each Additional Payment shall be paid in lawful money of the United States of America, at the appropriate office as designated by the respective payees entitled to receive such Additional Payment.

If the Lessee fails to pay any Additional Payments required by this Lease, the Lessor may (but shall be under no obligation to) pay such Additional Payments, which Additional Payments, together with interest thereon at the Prime Rate plus 2%, are to be reimbursed to the Lessor, by the Lessee upon demand therefor, subject to the availability of sufficient legally available funds for such purpose.

Section 5.3. Obligations Absolute and Unconditional.

(a) The Lessee hereby agrees that its obligation to pay the Rental Payments from legally available funds appropriated for such purpose shall be absolute and unconditional without notice or demand, and without abatement, deduction, set-off, counterclaim, recoupment, diminution or defense whatsoever, whether now existing or hereafter arising, and notwithstanding any damage to, loss, theft or destruction of the Facilities or any part thereof, any failure of consideration, the taking by eminent domain of title to or of the right of temporary use of all or any part of the Facilities, legal curtailment of the Lessee's use thereof, the eviction or constructive eviction of the Lessee, any change in the tax or other laws of the United States of America, the State of Missouri or any political subdivision thereof, any change in the Lessee's legal organization or status, or any default of the Lessor hereunder, and regardless of the invalidity of any action of the Lessor, and regardless of the invalidity of any portion of this Lease. Notwithstanding any dispute between the Lessee and the Lessor under this Lease, the Lessee shall pay all Rental Payments and Additional Payments when due and shall not withhold payment of any Rental Payments and Additional Payments pending the final ordinance of such dispute.

(b) Nothing in this Lease shall be construed to release the Lessor from the performance of any agreement on its part herein contained or as a waiver by the Lessee of any rights or claims which the Lessee may have against the Lessor under this Lease or otherwise, but any recovery upon such rights and claims shall be had from the Lessor separately, it being the intent of this Lease that the Lessee shall (except as provided in subsection (a) above) be unconditionally and absolutely obligated to perform fully all of its obligations, agreements and covenants under this Lease (including the obligation to make Rental Payments and to make Additional Payments) for the benefit of the Registered Owners of the Certificates. The Lessee may, however, at its own cost and expense and in its own name or in the name of the Lessor, prosecute or defend any action or proceeding or take any other action involving third persons which the Lessee deems reasonably necessary in order to secure or protect its right of possession, occupancy and use of the Facilities, and in such event the Lessor hereby agrees, so long as the Lessee is not in default under this Lease, to cooperate fully with the Lessee and to take all action necessary to effect the substitution of the Lessee for the Lessor in any such action or proceeding if the Lessee shall so request.

Section 5.4. Rental Payments to Constitute a Current Expense of the Lessee.

(a) The Lessee acknowledges and agrees that the Rental Payments and Additional Payments under this Lease shall constitute currently budgeted expenditures of the Lessee, and shall not in any way be construed to be a general obligation or debt of the Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by the Lessee, nor shall anything contained herein constitute a pledge of the general credit, tax revenues, funds or moneys of the Lessee, except as expressly provided herein. The Lessee's obligations to pay Rental Payments and Additional Payments under this Lease shall be from year to year only, and shall not constitute a mandatory payment obligation of the Lessee in any ensuing Fiscal Year beyond the then current Fiscal Year, except to the extent of funds pledged to or encumbered for the payment of such obligations. No provision of this Lease shall be construed or interpreted as creating a liability or general obligation or other indebtedness of the Lessee within the meaning of any constitutional or statutory debt limitation or restriction. No provision of this Lease shall be construed or interpreted as creating a delegation of governmental powers nor as a donation by or a lending of the credit of the Lessee within the meaning of the Constitution of the State. Neither this Lease nor the delivery of the Certificates shall directly or indirectly obligate the Lessee to levy or pledge any form of taxation or make any appropriation or make any payments beyond those appropriated for the Lessee's then current Fiscal Year, but in each Fiscal Year Rental Payments shall be payable solely from the amounts budgeted or appropriated therefor out of the income and revenue provided for such year, plus any unencumbered balances from previous years, except to the extent of funds pledged to or encumbered for the payment of the Lessee's obligations to pay Rental Payments and Additional Payments under this Lease; provided, however, that nothing herein shall be construed to limit the rights of the Registered Owners or the Lessor to receive any amounts which may be realized from the Trust Estate pursuant to the Indenture. The Lessee shall be under no obligation whatsoever to exercise its option to purchase the Facilities under **Article XI** of this Lease. No provision of this Lease shall be construed to pledge or to create a lien on any class or source of Lessee moneys, except as expressly provided herein, nor shall any provision of this Lease restrict the future issuance of any bonds or obligations payable from any class or source of moneys of the Lessee except as expressly provided herein. Failure of the Lessee to budget and appropriate said moneys on or before December 31 during any year shall be deemed a conclusive determination of non-availability of funds for the purpose of this Lease.

(b) The parties hereto acknowledge and agree that upon the expiration or termination of the Initial Term and any Renewal Term and failure by the Lessee to renew this Lease, the Lessee shall be wholly discharged from any liability to make Rental Payments or Additional Payments under this Lease other than Rental Payments or Additional Payments incurred prior to the expiration or termination of such Initial Term or Renewal Term.

Section 5.5. Event of Nonappropriation.

(a) In the event that the Board of Aldermen of the Lessee shall not budget and appropriate, specifically with respect to this Lease, on or before the end of each Fiscal Year, moneys sufficient to pay all Rental Payments and the reasonably estimated Additional Payments coming due for the then current Renewal Term, an Event of Nonappropriation shall be deemed to have occurred. In the event that during the Initial Term or any Renewal Term, any Additional Payments shall become due which were not included in the Lessee's current budget, or which exceeded the amounts which were included therefor in the Lessee's current budget, then, in the event that moneys are not specifically budgeted and appropriated to pay such Additional Payments within 30 days subsequent to the date upon which such Additional Payments are due, an Event of Nonappropriation shall be deemed to have occurred.

(b) If an Event of Nonappropriation occurs, the Lessee shall not be obligated to make payment of the Rental Payments or Additional Payments or any other payments provided for herein (other than **Section 6.8** of this Lease or from funds pledged to or encumbered for the payment of such obligations) which accrue after the last day of the Initial Term or Renewal Term during which such Event of Nonappropriation shall occur.

Section 5.6. Prepayment of Certificates. If the Lessee is not in default in making Rental Payments or Additional Payments under this Lease, the Lessor, at the written direction of the Lessee, at any time when the aggregate moneys in the funds held under the Indenture are sufficient for such purposes, shall (i) if the Outstanding Certificates are then subject to prepayment under the provisions of **Article III** of the Indenture, take all steps that may be necessary under the applicable prepayment provisions of the Indenture to prepay all or such part of the Principal Component of Rental Payments represented by the then Outstanding Certificates as may be specified by the Lessee, on such date as may be specified by the Lessee, (ii) cause such moneys in the Certificate Fund or such part thereof as the Lessee shall direct, to be applied by the Lessor for the purchase of Certificates in the open market for the purpose of cancellation at prices not exceeding the Principal Components represented by such Certificates plus accrued interest thereon to the date of delivery for cancellation, or (iii) a combination of (i) and (ii) as provided in such direction. Unless otherwise stated therein, such notice by the Lessee shall be revocable by the Lessee at any time prior to the time at which the Certificates are to be prepaid or are deemed to be paid in accordance with **Article XI** of the Indenture. Any prepayment of the Principal Component of the Rental Payments in accordance with this Section shall be applied to reduce the Option Purchase Price and shall be credited as a payment of Rental Payments from such maturities as are selected by the Lessee.

Section 5.7. Security Interest.

(a) To secure the payment of all of Lessee's obligations under this Lease, the Lessee grants to Lessor a security interest constituting a first lien on the personal property relating to the Facilities and on all additions, attachments, accessions and substitutions thereto, and on any proceeds therefrom. The Lessee agrees to execute such additional documents, including financing statements, affidavits, notices and similar instruments, in form satisfactory to the Lessor, which the Lessor deems necessary or appropriate to establish and maintain its security interest and, upon assignment, the security interest of the Registered Owners or any other assignee of the Lessor in the personal property relating to the Facilities.

(b) The Lessee agrees to enter into all instruments (including financing statements and statements of continuation) necessary for perfection of and continuance of the perfection of the security interests of the Lessor in the Facilities. The Lessee shall file or cause to be filed all such instruments required to be so filed and shall continue or cause to be continued the liens of such instruments for so long as the Certificates shall be Outstanding.

ARTICLE VI

MAINTENANCE, TAXES AND INSURANCE

Section 6.1. Maintenance, Repairs and Utilities.

(a) The Lessee covenants and agrees that throughout the Lease Term and at its own expense it will maintain, preserve and keep the Facilities and all parts thereof in good repair, working order and condition, and will from time to time make all repairs, replacements and improvements necessary to keep the Facilities and all parts thereof in safe condition and free from filth, nuisance or conditions unreasonably increasing the danger of fire or other casualty. The Lessor shall have no responsibility for any of these repairs, replacements or improvements.

(b) The Lessee shall contract in its own name and pay for all utilities and utility services used by the Lessee in, on or about the Facilities, and the Lessee, shall, at its sole cost and expense, procure any and all permits, licenses or authorizations necessary in connection therewith.

Section 6.2. Taxes, Assessments and Other Governmental Charges.

(a) The parties to this Lease contemplate that the Facilities will be used for a governmental or proprietary purpose of the Lessee and, therefore, that the Facilities will be exempt from all taxes presently assessed and levied with respect to real or personal property. In the event that the use, possession or acquisition of the Facilities is found to be subject to taxation in any form, the Lessee will pay during the Lease Term, as the same respectively become due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Facilities and any facilities, equipment or other property acquired by the Lessee in substitution for, as a renewal or replacement of, or a modification, improvement or addition to the Facilities as well as all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Facilities; provided that, with respect to any governmental charge that may lawfully be paid in installments over a period of years, the Lessee shall be obligated to pay only such installments as are accrued during such time as this Lease is in effect.

(b) The Lessee shall have the right, in its own name or in the Lessor's name, to contest the validity or amount of any tax, assessment or other governmental charge which the Lessee is required to bear, pay and discharge pursuant to the terms of this Article by appropriate legal proceedings instituted at least 10 days before the contested tax, assessment or other governmental charge becomes delinquent if and provided that the Lessee (1) before instituting any such contest, gives the Lessor written notice of the Lessee's intention to do so, (2) diligently prosecutes any such contest, (3) at all times effectively stays or prevents any official or judicial sale therefor, under execution or otherwise, (4) promptly pays any final judgment enforcing the tax, assessment or other governmental charge so contested, and (5) thereafter promptly procures record release or satisfaction thereof. The Lessor agrees to cooperate with the Lessee in connection with any and all administrative or judicial proceedings related to any tax, assessment or other governmental charge. The Lessee shall hold the Lessor whole and harmless from any costs and expenses the Lessor may incur in relation to any of the above.

Section 6.3. Property and Casualty Insurance.

(a) The Lessee shall, at its sole cost and expense, maintain or cause to be maintained at all times throughout the Lease Term, property and casualty insurance, or shall demonstrate pursuant to **Section 6.6** of this Lease, that adequate self-insurance is provided, to keep the Facilities insofar as the same may be of an insurable nature constantly insured against loss or damage by fire, lightning and all other risks covered by the all risk extended coverage insurance endorsement then in use in the State in an amount equal to the Full Insurable Value of the Facilities (subject to reasonable loss deductible clauses); provided, however, that during the Construction Period, if the Contractor under the Construction Contracts maintains in full force and effect a policy or policies of Builder's Risk-Completed Value Form Insurance insuring the Project against fire, lightning and all other risks covered by the extended coverage endorsement then in use in the State to the Full Insurable Value of the Facilities (subject to reasonable loss deductible clauses) then the Lessee shall not be required to maintain insurance required by this subsection (a) for such Construction Period with respect to the Project while the Project is so covered by such other insurance. The Full Insurable Value of the Facilities shall be determined once in every three Fiscal Years, commencing with the year ending December 31, 2023, by an architect, contractor, appraiser, appraisal company or one of the insurers, to be selected and paid by the Lessee and a report of such determination shall be filed with the Lessee and the Lessor within 180 days after the end of such third Fiscal Year. The insurance required pursuant to this Section shall be maintained at the Lessee's sole cost and expense. Such insurance may be maintained with the Missouri Intergovernmental Risk Management Association or other generally recognized responsible insurance entity or entities authorized to do business in the State as may be selected by the Lessee. All such policies of insurance or certificates evidencing such coverage, and all renewals thereof, shall name the Lessee and the Lessor as insureds and loss payees as their respective interests may appear, and shall contain a provision that such insurance may not be canceled by the issuer thereof without at least 30 days advance written notice to the Lessee and the Lessor.

(b) The Net Proceeds of property and casualty insurance carried pursuant to this Section or self-insurance program of the Lessee shall be applied as provided in **Section 8.1** of this Lease.

Section 6.4. Public Liability Insurance.

(a) The Lessee shall, at its sole cost and expense, maintain or cause to be maintained at all times during the Lease Term general accident and public liability insurance (including but not limited to coverage for all losses whatsoever arising from the ownership, maintenance, operation or use of any automobile, truck or other motor vehicle), or shall demonstrate, pursuant to **Section 6.6** of this Lease, that adequate self-insurance is provided, under which the Lessee and the Lessor shall be named as insureds, properly protecting and indemnifying the Lessee and the Lessor, in amounts equal to Lessee's customary insurance practice for bodily injury (including death) but in no event less than the limitation on awards for liability in effect from time to time under Section 537.610, RSMo, and for property damage arising out of or in any way relating to the condition or the operation of the Facilities (subject to reasonable loss deductible clauses). Each insurance policy provided for in this Section or certificates evidencing such coverage shall contain a provision to the effect that the insurance company may not cancel or materially modify the policy without first giving at least 30 days advance written notice to the Lessee and the Lessor.

(b) In the event of a public liability occurrence, the Net Proceeds of liability insurance carried pursuant to this Section or self-insurance program of the Lessee shall be applied toward the extinguishment or satisfaction of the liability with respect to which such proceeds have been paid.

Section 6.5. Workers' Compensation Insurance. The Lessee shall maintain or cause to be maintained workers' compensation insurance required by the laws of the State covering all of its employees, or shall demonstrate, pursuant to **Section 6.6** of this Lease, that adequate self-insurance is provided, and shall require any other person or entity working for or on behalf of the Lessee to carry such coverage.

Section 6.6. Blanket Insurance, Self-Insurance and Modifications.

(a) The Lessee may satisfy any of the insurance requirements set forth in this Article by using blanket policies of insurance which cover not only the Facilities but other properties, provided that the Lessee complies with each and all of the requirements and specifications of this Article respecting insurance.

(b) The Lessee represents that it currently maintains insurance that meets the requirements set forth in this Article. Without the consent of the Registered Owners, the Lessee may, upon the recommendation of an insurance consultant that the Lessee will be adequately insured, make modifications to the insurance coverage, including for the Lessee to be self-insured, in whole or in part, for any such coverage, taking into account the cost and availability of insurance and the effect of the terms and rates of such insurance upon the Lessee's costs and charges for its services.

(c) In accordance with Section 427.120 of the Revised Statutes of Missouri, as amended, unless the Lessee provides evidence of the insurance coverage required by this Lease, the Lessor may purchase insurance at the Lessee's expense to protect the Lessor's interests under this Lease. This insurance may, but need not, protect the Lessee's interests. The coverage that the Lessor may purchase may not pay any claim that the Lessee may make or any claim that may be made against the Lessee in connection with the Facilities. The Lessee may later cancel any insurance purchased by the Lessor, but only after providing evidence that the Lessee has obtained insurance as required by this Lease. If the Lessor purchases insurance for the Facilities, the Lessee will be responsible for the costs of that insurance, including the insurance premium, interest and any other charges the Lessor may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The Lessee shall pay the costs of the insurance as an Additional Payment under **Section 5.2(f)** of this Lease. The costs of the insurance may be more than the cost of insurance the Lessee may be able to obtain on its own.

(d) As soon as practicable after the execution of the Indenture, and within **90** days after the close of each fiscal year thereafter the Lessee will file with the Lessor a written certificate of the Authorized City Representative certifying that the Lessee is in compliance with the insurance requirements set forth in the **Sections 6.3** through **6.6**. The Lessor has no duty or obligation to monitor the Lessee's compliance with the requirements of these Sections.

Section 6.7. Advances. In the event the Lessee shall fail to maintain the full insurance coverage required by this Lease or shall fail to keep the Facilities in good repair and operating condition, the Lessor may (but shall be under no obligation to) purchase the required policies of insurance and pay the premiums on the same or may make such repairs or replacements as are necessary and provide for payment thereof; and all amounts so advanced therefor by Lessor shall become additional rent for the then current Initial

Term or Renewal Term, which amounts, together with interest thereon at the rate of 10% per annum, the Lessee agrees to pay as Additional Payments hereunder.

Section 6.8. Release and Indemnification Covenants. To the extent permitted by law and without waiving any rights of sovereign immunity, the Lessee shall indemnify, protect and hold the Lessor and their officers, agents, and employees and any person who controls the Lessor harmless from and against any and all liability, losses, claims and damages whatsoever, and expenses in connection therewith, including, without limitation, counsel fees and expenses arising out of or as the result of the entering into this Lease, the ownership, use, operation or condition of the Facilities or any part thereof, or any accident in connection with the operation, use or condition of the Facilities or any part thereof resulting in damage to property or injury to or death of any person. To the extent permitted by law and without waiving any rights of sovereign immunity, the Lessee shall indemnify and save the Lessor and their officers, agents and employees and any person who controls the Lessor harmless against any loss, liability or expense, including reasonable attorneys' fees, resulting from all claims by or on behalf of any person, firm or corporation arising from the conduct or management of, or from any work or thing done on, the Facilities, and against and from all claims arising after the date of this Lease, from (a) any condition of the Facilities caused by the Lessee, (b) any breach or default on the part of the Lessee in the performance of any of its obligations under this Lease, the Base Lease or the Indenture (including without limitation its obligations related to environmental matters), (c) any contract entered by the Lessee in connection with the Project, (d) any act of negligence of the Lessee or of any of its agents, contractors, servants, employees or licensees, and (e) any act of negligence of any assignee or sublessee of the Lessee, or of any agents, contractors, servants, employees or licensees of any assignee or lessee of the Lessee. To the extent permitted by law and without waiving any rights of sovereign immunity, the Lessee shall indemnify and save the Lessor and their officers, agents and employees and any person who controls the Lessor harmless from and against all costs and expenses (except those which have arisen from the willful misconduct or negligence of the Lessor) incurred in or in connection with any action or proceeding brought thereon, and upon notice from the Lessor, the Lessee shall defend them or either of them in any such action or proceeding. The indemnifications arising under this paragraph shall continue in full force and effect notwithstanding the full payment of all obligations under this Lease or the termination of the Lease Term for any reason. The Lessee agrees not to withhold or abate any portion of the payments required pursuant to this Lease by reason of any defects, malfunctions, breakdowns of infirmities of the Facilities or any part thereof.

Section 6.9. Hazardous Materials. The Lessee shall not cause or permit the Facilities or any other property of the Lessee to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials (hereinafter defined), except in compliance with all applicable federal, state and local laws or regulations, nor shall the Lessee cause or permit, as a result of any intentional or unintentional act or omission of the Lessee or any tenant or subtenant, a release of Hazardous Materials onto the Facilities or any other property of the Lessee, except in compliance with all applicable federal, state and local laws or regulations. The Lessee shall comply with and ensure compliance by all tenants and subtenants with all applicable federal, state and local laws, ordinances, rules and regulations, wherever and by whomever triggered, and shall obtain and comply with, and ensure that all tenants and subtenants obtain and comply with, any and all approvals, registrations or permits required thereunder. The Lessee shall (a) conduct and complete all investigations, studies, sampling and testing, and all remedial, removal, and other actions necessary to clean up and remove all Hazardous Materials, on, from, or affecting the Facilities or any other property of the Lessee (i) in accordance with all applicable federal, state and local laws, ordinances, rules, regulations, and policies and (ii) in accordance with the orders and directives of all federal, state and local governmental authorities, and (b) to the extent permitted by law and without waiving any rights of sovereign immunity, defend, indemnify, and hold harmless the Lessor from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of or in any way related to, (i) the presence, disposal, release, or threatened release of any Hazardous Materials which are on, from, or affecting the soil, water, vegetation, buildings, personal property, persons, animals, or otherwise; (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials, and/or (iii) any violation of laws, orders, regulations, requirements or demands of government authorities, which are based upon or in any way related to any such Hazardous Materials including, without limitation, attorney and consultant fees, investigation and laboratory fees, court costs, and litigation expenses. In the event that the Lessor elects to control, operate, sell or otherwise claim property rights in the Facilities as a remedy hereunder or in the event this Lease is terminated, the Lessee shall deliver the Facilities free of any and all Hazardous Materials so that the conditions of the Facilities shall conform with all applicable federal, state and local laws, ordinances, rules or regulations affecting the Facilities. Prior to any such delivery of the Facilities, the Lessee shall pay the Lessor, from its own funds, any amounts then required to be paid under (b) above. Notwithstanding anything in this Lease to the contrary, the agreements in the preceding two sentences and in (b) above shall survive termination of this Lease. For purposes of this paragraph, "Hazardous Materials" includes, without limit, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and amended (42 U.S.C. Sections 9601, et. seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C Sections 1801 et. seq.), and in the regulations adopted and publications promulgated pursuant thereto, or any other federal, state or local environmental law, ordinance, rule, or regulation.

ARTICLE VII

ADDITIONS, MODIFICATIONS AND IMPROVEMENTS TO THE FACILITIES; LIENS

Section 7.1. Additions, Modifications and Improvements to the Facilities.

(a) The Lessee shall have and is hereby given the right, at its sole cost and expense, to make such additions, modifications and improvements in and to any part of the Facilities as the Lessee from time to time may deem necessary or desirable for its purposes; provided, however, the Lessee shall not make any additions, modifications or improvements which will in any way damage the Facilities or substantially reduce the value of the Facilities. All additions, modifications and improvements made by the Lessee pursuant to the authority of this Section shall (i) be made in a workmanlike manner and in strict compliance with all laws and ordinances applicable thereto, (ii) when commenced, be prosecuted to completion with due diligence, and (iii) when completed, be deemed a part of the Facilities except as otherwise provided in **Section 4.8** of this Lease.

(b) No addition, modification or improvement to the Facilities made pursuant to this Section shall entitle the Lessee to any reimbursement of any Rental Payments or Additional Payments from the Lessor or the Registered Owners, nor shall the Lessee be entitled to any abatement or diminution in Rental Payments or Additional Payments under this Lease, except such diminution as results from prepayment of the Principal Component of Rental Payments represented by the Certificates pursuant to **Article III** of the Indenture.

Section 7.2. Additional Improvements on the Project Site. The Lessee shall have and is hereby given the right, at its sole cost and expense, to construct on portions of the Project Site not theretofore occupied by buildings or improvements such additional buildings and improvements as the Lessee from time to time may deem necessary or desirable for its business purposes. All additional buildings and improvements constructed on the Project Site by the Lessee pursuant to the authority of this Section shall become a part of the Facilities and subject to the terms and conditions contained in this Lease and the Base Lease. The Lessee covenants and agrees (a) to make any repairs and restorations required to be made to the Facilities because of the construction of, addition to, alteration or removal of said additional buildings or improvements, (b) to keep and maintain said additional buildings and improvements in good condition and repair, ordinary wear and tear excepted, and (c) to promptly and with due diligence either raze and remove from the Project Site in a good workmanlike manner, or repair, replace or restore any of said additional buildings and improvements as may from time to time be damaged by fire or other casualty.

Section 7.3. Permits and Authorizations. The Lessee shall not do or permit others under its control to do any work on the Project related to any repair, rebuilding, restoration, replacement, modification, improvement or addition to the Project, or any part thereof, unless all requisite municipal and other governmental permits and authorizations shall have been first procured and payment therefor made. All such work shall be done in a good and workmanlike manner and in compliance with all applicable building, zoning and other laws, ordinances, governmental regulations and requirements and in accordance with the requirements, rules and regulations of all insurers under the policies required to be carried under the provisions of **Article VI** of this Lease.

Section 7.4. Liens.

(a) The Lessee shall not do or suffer anything to be done whereby the Facilities, or any part thereof, may be encumbered by any mechanics' or materialmen's or other similar lien, other than Permitted Encumbrances. Whenever and as often as any mechanics' or materialmen's or other similar lien is filed against the Facilities, or any part thereof, purporting to be for or on account of any labor done or materials or services furnished in connection with any work in or about the Facilities, the Lessee shall discharge the same of record within 60 days after the date of filing. Notice is hereby given that the Lessor shall not be liable for any labor or materials furnished to the Lessee or to anyone claiming by, through or under the Lessee upon credit, and that no mechanics' or materialmen's or other similar lien for any such labor, services or materials shall attach to or affect the reversionary or other estate of the Lessor in and to the Facilities or any part thereof.

(b) The Lessee, notwithstanding subsection (a) above, shall have the right (except as hereinafter provided) to contest any such mechanics' or materialmen's or other similar lien if and provided that the Lessee (i) within said 60-day period stated above notifies the Lessor in writing of the Lessee's intention to do so, (ii) diligently prosecutes such contest, (iii) at all times effectively stays or prevents any official or judicial sale of the Facilities, or any part thereof or interest therein, under execution or otherwise, (iv) promptly pays or otherwise satisfies any final judgment adjudging or enforcing such contested lien claim, and (v) thereafter promptly procures record release or satisfaction thereof. If the Lessor shall notify the Lessee that, in the opinion of Counsel, by nonpayment of such items, the Lessor's title or interest in the Facilities will be endangered, or the Facilities or any part thereof will be subject to loss or forfeiture, then the Lessee shall promptly pay or cause to be satisfied and discharged all such unpaid items (provided, however, that such payment shall not constitute a waiver of the right to continue to contest such items). The Lessee shall hold the Lessor whole and harmless from any loss, costs or expenses the Lessor may incur in relation to any such contest. The Lessor will cooperate fully with the Lessee in any such contest.

ARTICLE VIII

DAMAGE, DESTRUCTION AND CONDEMNATION

Section 8.1. Damage and Destruction.

(a) If during the Lease Term, the Facilities are damaged or destroyed, in whole or in part, by fire or other casualty, to such extent that the claim for loss (including any deductible amount pertaining thereto) resulting from such damage or destruction is greater than $100,000, the Lessee shall promptly notify the Lessor in writing as to the nature and extent of such damage or loss and whether it is practicable and desirable to rebuild, repair, restore or replace such damage or loss.

(b) If the Lessee shall determine that such rebuilding, repairing, restoring or replacing is practicable and desirable, the Lessee shall proceed promptly with and complete with reasonable dispatch such rebuilding, repairing, restoring or replacing of the property damaged or destroyed so as to place said Facilities in substantially the same condition as existed prior to the event causing such damage or destruction, with such changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the Lessee and as will not impair the utility of the Facilities. The Lessee and the Lessor will cause the Net Proceeds of any insurance claim to be applied to the prompt repair, restoration, modification or improvement of the Facilities. Any balance of the Net Proceeds remaining after such work has been completed shall be deposited into the applicable subaccount of the Certificate Fund. If the Net Proceeds of casualty insurance required by **Section 6.3** of this Lease and received with respect to any such damage or loss to the Project exceeds $100,000, such Net Proceeds shall be paid to the Lessor and shall be deposited into a separate account to be established in the applicable subaccount of the Project Fund and shall be used and applied in accordance with the disbursement requirements of **Section 504** of the Indenture for the purpose of paying the cost of such rebuilding, repairing, restoring or replacing such damage or loss. Any amount remaining in the applicable subaccount of the Project Fund after completion of such rebuilding, repairing, restoring or replacing shall be deposited into the applicable subaccount of the Certificate Fund which completion shall be evidenced by a certificate signed by an Authorized City Representative and filed with the Lessor. If said Net Proceeds are not sufficient to pay in full the costs of such replacement, repair, rebuilding or restoration, the Lessee shall nonetheless complete the work thereof and shall, subject to **Sections 3.2** and **5.4** of this Lease pay that portion of the costs thereof in excess of the amount of said Net Proceeds.

(c) If the Lessee shall determine that rebuilding, repairing, restoring or replacing the Facilities is not practicable and desirable, then, in lieu of rebuilding, repairing, restoring or replacing the Facilities, the Lessee shall promptly purchase the Facilities by paying the Option Purchase Price to the Lessor and any Net Proceeds of casualty insurance required by **Section 6.3** of this Lease and received with respect to any such damage or loss to the Facilities shall be applied to such payment. Any balance of the Net Proceeds remaining after paying the Option Purchase Price to the Lessor shall belong to the Lessee. The Lessee agrees that any acquisition of the Facilities or rights to their use by the Lessee shall be pursuant to and in accordance with this Lease, including payment of Rental Payments and the applicable Option Purchase Price.

(d) The Lessee shall not, by reason of its inability to use all or any part of the Facilities during any period in which the Facilities are damaged or destroyed, or are being repaired, rebuilt, restored or replaced, or by reason of the payment of the costs of such rebuilding, repairing, restoring or replacing, be entitled to any reimbursement from the Lessor or the Registered Owners of the Certificates, or any abatement or diminution of the rentals payable by the Lessee under this Lease or of any other obligations of the Lessee under this Lease except as expressly provided in this Section.

Section 8.2. Condemnation or Deficiency of Title.

(a) Any Net Proceeds of title insurance or other award from a challenge or threat of legal or equitable action related to the title or use of the Facilities shall be deposited with the Lessor and paid into the applicable subaccount of the Certificate Fund and shall be used to prepay Certificates pursuant to the Indenture at the earliest possible date.

(b) If during the Lease Term title to, or the temporary use of, all or part of the Facilities is condemned by any authority having the power of eminent domain, the condemnation proceeds shall be deposited with the Lessor and paid into the applicable subaccount of the Certificate Fund and shall be used by the Lessor to prepay Certificates pursuant to the Indenture. The Lessee agrees that any acquisition of the Facilities or rights to their use by the Lessee (whether pursuant to the exercise of its eminent domain powers or otherwise) shall be pursuant to and in accordance with this Lease, including payment of Rental Payments and the applicable Option Purchase Price. This paragraph shall survive the termination of this Lease for any reason.

(c) The Lessor shall cooperate fully with the Lessee in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Facilities or any part thereof, and shall, to the extent the Lessor may lawfully do so, permit the Lessee to litigate in any such proceeding in the name and on behalf of the Lessor. So long as Lessee shall not be in default under this Lease, in no event will the Lessor voluntarily settle or consent to the settlement of any prospective or pending condemnation proceedings with respect to the Facilities or any part thereof without the written consent of the Lessee.

(d) The Lessee hereby covenants and agrees, to the extent it may lawfully do so, that so long as any of the Certificates remain Outstanding and unpaid, the Lessee will not exercise the power of condemnation with respect to the Facilities. The Lessee further covenants and agrees, to the extent it may lawfully do so, that if for any reason the foregoing covenant is determined to be unenforceable or if the Lessee should fail or refuse to abide by such covenant and condemns the Facilities, the appraised value of the Facilities shall not be less than the greater of (i) if such Certificates are then subject to prepayment, the Principal and Interest Components of the Certificates Outstanding through the date of their prepayment, or (ii) if such Certificates are not then subject to prepayment, the amount necessary to defease such Certificates to the first available prepayment date in accordance with the Indenture.

ARTICLE IX

SPECIAL COVENANTS

Section 9.1. Disclaimer of Warranties. THE LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE FACILITIES, OR ANY OTHER WARRANTY OR REPRESENTATION WITH RESPECT THERETO. In no event shall the Lessor be liable for an incidental, indirect, special or consequential damage in connection with or arising out of this Lease or the existence, furnishing, functioning or Lessee's use of any item or products or services provided for in this Lease; provided, however, that nothing herein shall be construed as relieving the Lessor from its covenants and obligations under this Lease.

Section 9.2. Vendor's Warranties. The Lessor hereby irrevocably appoints the Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee shall not be in default under this Lease, to assert from time to time whatever claims and rights including warranties of the equipment which the Lessor may have against the vendor of the equipment which is or becomes a part of the Facilities. The Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the vendor of such equipment, and not against the Lessor, nor shall such matter have any effect whatsoever on the rights and obligations of the Lessor with respect to this Lease, including the right to receive full and timely payments under this Lease. The Lessee expressly acknowledges that the Lessor has made no representation or warranties whatsoever as to the existence of availability of such warranties of the vendor of such equipment.

Section 9.3. Surrender of Possession. Upon accrual of the Lessor's right of re-entry because of the Lessee's default under this Lease or upon the cancellation or termination of this Lease for any reason other than the Lessee's purchase of the Facilities pursuant to **Article XI** of this Lease, the Lessee shall peacefully surrender possession of the Facilities to the Lessor in good condition and repair, ordinary wear and tear excepted; provided, however, the Lessee shall have the right within 120 days after the termination of this Lease to remove from the Project Site any improvements, furniture, trade fixtures, machinery and equipment owned by the Lessee and not constituting part of the Facilities. All repairs to and restorations of the Facilities which are required to be made because of such removal shall be made by and at the sole cost and expense of the Lessee, and during said 120-day period, the Lessee shall bear the sole responsibility for and bear the sole risk of loss for said buildings, improvements, furniture, trade fixtures, machinery and equipment. All buildings, improvements, furniture, trade fixtures, machinery and equipment owned by the Lessee and which are not so removed from the Facilities prior to the expiration of said 120-day period shall be and become the separate and absolute property of the Lessor.

Section 9.4. Granting of Easements. If no Event of Default or Event of Nonappropriation under this Lease shall have happened and be continuing, the Lessee may at any time or times (a) grant easements, licenses, rights-of-way (including the dedication of public streets and highways) and other rights or privileges in the nature of easements with respect to any property included in the Facilities, or (b) release existing easements, licenses, rights-of-way and other rights or privileges, all with or without consideration and upon such terms and conditions as provided in this Section. The Lessor agrees that it will execute and deliver any instrument necessary or appropriate to confirm and grant or release any such easement, license, right-of-way or other right or privilege or any such agreement or other arrangement, upon receipt by the Lessor of: (1) a copy of the instrument of grant or release or of the agreement or other arrangement, (2) a written application signed by the Authorized City Representative requesting such instrument; and (3) a certificate executed by the Authorized City Representative stating that such grant or release is not detrimental to the proper conduct of the business of the Lessee, will be a Permitted Encumbrance, will not impair the effective use or interfere with the efficient and economical operation of the Facilities, and will not materially adversely affect the security intended to be given by or under the Indenture, the Base Lease or this Lease. If the instrument of grant shall so provide, any such easement or right and the rights of such other parties thereunder shall be superior to the right of the Lessor under this Lease and the Indenture and shall not be affected by any termination of this Lease or by default on the part of the Lessee under this Lease. If no Event of Default or Event of Nonappropriation shall have happened and be continuing, any payments or other consideration received by the Lessee for any such grant or with respect to or under any such agreement or other arrangement shall be and remain the property of the Lessee, but, in the event of the termination of this Lease subsequent to an Event of Default or an Event of Nonappropriation, all rights of the Lessee then existing with respect to or under such grant shall inure to the benefit of and be exercisable by the Lessor.

Section 9.5. Authorized City Representative. Whenever under the provisions of this Lease the approval of the Lessee is required to take some action at the request of the Lessor, unless otherwise provided, such approval or such request shall be given for the Lessee by the Authorized City Representative and the Lessor shall be authorized to act on any such approval or request.

ARTICLE X

ASSIGNMENT AND SUBLEASING

Section 10.1. Assignment by Lessor. The Lessee agrees that the Lessor may assign and reassign this Lease and the Facilities to a successor Lessor appointed pursuant to **Section 908** of the Indenture.

Section 10.2. Assignment and Sublease by Lessee. The Lessee may not assign its interest in this Lease for any reason. The Lessee may, however, sublease the Facilities as a whole or in part, without the necessity of obtaining the consent of the Lessor, subject, however, to each of the following conditions:

(a) This Lease and the obligations of the Lessee under this Lease, shall, at all times during the Initial Term and any Renewal Term, remain obligations of the Lessee, and the Lessee shall maintain its direct relationship with the Lessor, notwithstanding any sublease;

(b) Before entering into any sublease of the Facilities or any portion thereof, the Lessee shall obtain and file with the Lessor an Opinion of Special Counsel to the effect that such sublease will not cause the Interest Component of the Rental Payments payable pursuant to the Certificates to be included in gross income for federal or Missouri income tax purposes.

(c) The Lessee shall, within 30 days after the delivery thereof, furnish or cause to be furnished to the Lessor a true and complete copy of each such sublease.

The Lessee may grant licenses not to exceed 90 days to use all or any of the Facilities in the normal course of business without the consent of the Lessor.

Section 10.3. Restrictions on Sale or Mortgage of the Facilities by the Lessee. The Lessee agrees that, except as set forth in **Section 10.2** of this Lease or in other provisions of this Lease or the Indenture, it will not sell, convey, mortgage, encumber or otherwise dispose of any part of the Facilities during the Lease Term, nor otherwise create any encumbrance thereon other than Permitted Encumbrances. Except as expressly provided in this Article, the Lessee shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim if the same shall arise at any time. The Lessee shall reimburse the Lessor for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

ARTICLE XI

OPTION AND OBLIGATION TO PURCHASE THE LESSOR'S INTEREST IN THE FACILITIES

Section 11.1. Option to Purchase the Lessor's Interest in the Facilities. At the option and request of the Lessee, the Lessor's estate and interest in the Facilities will be transferred, conveyed and assigned to the Lessee and this Lease shall terminate:

(a) at any time upon payment, or providing for the payment, by the Lessee of the then applicable Option Purchase Price plus all Rental Payments and Additional Payments payable up to and including the date of purchase; or

(b) at any time upon payment or providing for the payment of all Rental Payments represented by the Certificates, all Additional Payments and the Option Purchase Price (assuming the Lessee renews this Lease until the end of the Lease Term or the Renewal Term in which the Optional Prepayment Date occurs).

To exercise such option the Lessee shall give written notice to the Lessor if any of the Certificates shall then be unpaid or provision for their payment shall not have been made in accordance with the provisions of the Indenture, and shall specify therein the date of closing such purchase, which date shall be not less than 30 nor more than 60 days from the date when such notice is mailed, and in case of a prepayment of the Certificates in accordance with the provisions of the Indenture, the Lessee shall make arrangements satisfactory to the Lessor for the giving of the required notice of prepayment.

Payment of the final Rental Payments and Additional Payments shall constitute exercise of the option granted under this Lease without further action by the Lessee.

Section 11.2. Determination of Fair Purchase Price; Acquisition of the Lessor's Interest in the Facilities.

(a) The Lessee hereby agrees and determines that the Rental Payments under this Lease during the Initial Term and any Renewal Term represent the fair value of the use of the Facilities and that the amount required to exercise the Lessee's option to purchase the Lessor's interest in the Facilities pursuant to **Section 11.1** of this Lease represents, as of the purchase date, the fair purchase price of the Facilities. The Lessee hereby determines that the Rental Payments do not exceed a reasonable amount so as to place the Lessee under an economic practical compulsion to renew this Lease or to exercise its option to purchase the Facilities under this Lease. In making such determinations, the Lessee has given consideration to the Project Costs, the uses and purposes for which the Facilities will be employed by the Lessee, the benefit to the Lessee by reason of the acquisition, construction, equipping and installation of the Project and the use and occupancy of the Facilities pursuant to this Lease and Lessee's option to purchase the Facilities.

(b) The Lessee is entering into this Lease to acquire the use of the Facilities during the Lease Term, and with the current intent of acquiring the Lessor's interest in the Facilities in accordance with **Section 11.1(a)** of this Lease, for its public purposes. Any acquisition of the Lessor's interest in the Facilities or rights to their use by the Lessee (whether pursuant to the exercise of eminent domain powers or otherwise) shall be pursuant to and in accordance with this Lease, including payment of Rental Payments and the applicable Option Purchase Price. If the Lessee allows this Lease to expire without exercising its option to purchase (whether by failure to exercise its option to extend this Lease for a Renewal Term, failure to exercise its option to purchase at the conclusion of the Maximum Lease Term or failure to cure an Event of Default), that action shall constitute an irrevocable determination by the Lessee that the Facilities are not required by it for any public purpose for the term of the Base Lease. This Section shall survive the termination of this Lease for any reason.

Section 11.3. Conveyance of the Lessor's Interest in the Facilities. At the closing of any purchase of the Lessor's interest in the Facilities pursuant to this Article, the Lessor, upon payment by the Lessee and receipt by the Lessor of all amounts payable under this Lease and under the Indenture, shall execute and deliver to the Lessee all necessary documents conveying, transferring and assigning the Lessor's interest in the Facilities to the Lessee in order for the Lessee to have good and marketable legal title to the Facilities, as it then exists, subject to the following: (1) those liens and encumbrances, if any, to which title to the Facilities was subject when leased to the Lessor; (2) those liens and encumbrances created by the Lessee or to the creation or suffering of which the Lessee consented; (3) those liens and encumbrances resulting from the failure of the Lessee to perform or observe any of the agreements on its part contained herein; (4) Permitted Encumbrances other than the Base Lease, this Lease and the Indenture; and (5) if the Facilities are being condemned, the rights and title of any condemning authority.

Section 11.4. Relative Position of Option and Indenture. The option granted to the Lessee in this Article shall be and remain prior and superior to the Indenture and may be exercised whether or not the Lessee is in default under this Lease, provided that such default will not result in nonfulfillment of any condition to the exercise of any such option and further provided that all options herein granted shall terminate upon the termination of this Lease.

Section 11.5. Obligation to Purchase the Lessor's Interest in the Facilities. The Lessee hereby agrees to purchase, and the Lessor hereby agrees to sell, the Lessor's interest in Facilities for the sum of $1.00 at the expiration of the Lease Term following full payment of the Certificates or provision for payment thereof having been made in accordance with the provisions of the Indenture.

ARTICLE XII

DEFAULT AND REMEDIES

Section 12.1. Events of Default. If any one or more of the following events shall occur and be continuing, it is hereby defined as and declared to be and to constitute an "Event of Default" under this Lease:

(a) Failure by the Lessee to pay any Rental Payment required to be paid under this Lease at the time specified herein; or

(b) Failure by the Lessee to pay any Additional Payment or to observe or perform any other covenant, agreement, obligation or provision of this Lease on its part to be observed or performed, and such failure shall continue for 30 days after the Lessor has given the Lessee written notice specifying such failure or such longer period (but not to exceed 60 days unless the Lessor shall otherwise consent) as shall be reasonably required to cure such default; provided that (1) the Lessee has commenced such cure within said 30-day period, and (2) the Lessee diligently prosecutes such cure to completion; or

(c) Failure by the Lessee to vacate the Facilities within 30 days after the occurrence of an Event of Nonappropriation; or

(d) An Event of Default under the Indenture shall have occurred and be continuing.

Section 12.2. Remedies on the Occurrence of an Event of Default or an Event of Nonappropriation. If an Event of Default or an Event of Nonappropriation shall have occurred and be continuing, then the Lessor may at the Lessor's election (subject, however, to any restrictions contained in the Indenture against acceleration of the maturity of the Certificates or termination of this Lease), then or at any time thereafter, and while such Event of Default or Event of Nonappropriation shall continue, take any one or more of the following actions:

(a) With or without terminating this Lease take possession of the Facilities, in which event the Lessee shall take all actions necessary to authorize, execute and deliver to the Lessor all documents necessary to vest in the Lessor for the remainder of the Lease Term, all of the Lessee's interest in and to the Facilities, and sell the Lessor's (or its assignee's) interest in this Lease, or lease or sublease the Facilities and collect the rentals therefor, for all or any portion of the remainder of its leasehold term upon such terms and conditions as it may deem satisfactory in its sole discretion, with the Lessee remaining liable, subject to the provisions of **Sections 3.2** and **5.4** of this Lease, for the difference between (i) the Rental Payments and Additional Payments payable by the Lessee under this Lease to the end of the current Lease Term and (ii) the net proceeds or any purchase price, rents or other amounts paid by the new purchaser, lessee or sublessee of such Facilities, and, provided further, that, in such event, if the Lessor shall receive a payment for sale of its interest or total subrentals for sublease that are, after payment of the Lessor's expenses in connection therewith, in excess of the principal amount of Certificates then Outstanding and the interest due and to become due thereon and all other Additional Payments, then such excess shall be paid to the Lessee either by the Lessor, its assigns, or its sublessee; or

(b) By written notice to the Lessee, declare all Rental Payments and Additional Payments payable under this Lease for the remainder of the current Renewal Term to be immediately due and payable and the same shall thereupon become immediately due and payable; or

(c) Give the Lessee written notice of intention to terminate this Lease on a date specified in such notice, which date may be the earlier of 30 days after such notice is given or the end of the current Renewal Term, and if all defaults have not then been cured, on the date so specified, the Lessee's rights to possession of the Facilities shall cease and this Lease shall thereupon be terminated, and the Lessor may re-enter and take possession of the Facilities; or

(d) Exercise any of the rights of a secured party under the Uniform Commercial Code of Missouri, as then in effect, with respect to property which is covered by such Code, including without limitation, the right to take possession of any personal property or fixtures subject to the lien granted pursuant to this Lease and to take such other measures as the Lessor may deem as necessary for the care, protection, preservation and marketing of said personal property and fixtures. The Lessor may require the Lessee to assemble any such personal property or fixtures and make the same available to the Lessor at a place to be designated by the Lessor which is reasonably convenient to the Lessor and the Lessee. It is agreed that a commercially reasonable manner of disposition of personal property includes, without limitation, disposition of the Facilities in the manner provided herein; or

(e) Take whatever action at law or in equity may appear necessary or desirable to collect the Rental Payments and Additional Payments then due and thereafter to become due during the Lease Term and to enforce its rights under this Lease and the performance and observance of any obligation, agreement or covenant of the Lessee under this Lease.

If in accordance with any of the foregoing provisions of this Article the Lessor shall have the right to elect to re-enter and take possession of the Facilities, the Lessor may enter and expel the Lessee and those claiming through or under the Lessee and remove the property and effects of both or either without being guilty of any manner of trespass and without prejudice to any remedies for arrears of rent or for breach of covenant. The Lessor may take whatever action at law or in equity which may appear necessary or desirable to collect rent then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Lessee under this Lease.

Section 12.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Lessor to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notices as may be expressly required in this Article.

Section 12.4. Attorneys' Fees and Expenses. If the Lessee should default under any of the provisions of this Lease, or if an Event of Nonappropriation shall have occurred, and the Lessor or the Registered Owners should employ attorneys or incur other expenses for the collection of Rental Payments or Additional Payments or the enforcement of performance of any obligation or agreement on the part of the Lessee, then the Lessee will on demand pay to the Lessor or the Registered Owners the reasonable fees and expenses of such attorneys and such other expenses so incurred.

Section 12.5. Waiver of Appraisement, Valuation, Stay, Extension and Redemption Laws. The Lessee agrees, to the extent permitted by law, that in the case of a termination of the Lease Term by reason of an Event of Nonappropriation or an Event of Default, neither the Lessee nor any one claiming through or under the Lessee, shall or will set up, claim or seek to take advantage of any appraisement, valuation, stay, extension or redemption laws now or hereafter in force in order to prevent or hinder the enforcement of this Lease; and the Lessee, for itself and all who may at any time claim through or under it, hereby waives, to the full extent that it may lawfully do so, the benefit of all such laws.

ARTICLE XIII

AMENDMENTS, CHANGES AND MODIFICATIONS

Section 13.1. Amendments, Changes and Modifications. Except as otherwise provided in this Lease or in the Indenture, subsequent to the initial execution and sale of Certificates and prior to the payment thereof having been made in accordance with the provisions of the Indenture, this Lease may not be effectively amended, changed, modified, altered or terminated without the written consent of the Lessor, given in accordance with the provisions of the Indenture.

ARTICLE XIV

MISCELLANEOUS PROVISIONS

Section 14.1. Notices. All notices, certificates or other communications required or desired to be given under this Lease shall be in writing and shall be deemed duly given when mailed by first class, registered or certified mail, postage prepaid, addressed as provided in **Section 1403** of the Indenture, provided, however, that any of the foregoing given to the Lessor shall be effective only upon receipt.

All notices given by first class, certified or registered mail as aforesaid shall be deemed duly given as of the date they are so mailed. The Lessee and the Lessor may from time to time designate, by notice given under this Lease to the other, another address to which subsequent notices, certificates or other communications shall be sent.

Section 14.2. Lessor and Lessee Shall Not Unreasonably Withhold Consents and Approvals. Wherever in this Lease it is provided that the Lessor or the Lessee shall, may or must give its approval or consent, or execute supplemental agreements or schedules, then neither the Lessor nor the Lessee shall unreasonably, arbitrarily or unnecessarily withhold or refuse to give such approvals or consents or refuse to execute such supplemental agreements or schedules.

Section 14.3. Limited Liability of Lessor. No provision, covenant or agreement contained in this Lease, the Indenture or the Certificates, or any obligation herein or therein imposed upon the Lessor, or the breach thereof, shall constitute or give rise to or impose any personal or pecuniary liability upon any director, officer or employee of the Lessor. Except with respect to any action for specific performance or any action in the nature of a prohibitory or mandatory injunction, neither the Lessor nor any director, officer or employee of the Lessor shall be liable to the Lessee or any other person for any action taken by the Lessor or by its officers, servants, agents or employees, or for any failure to take action under this Lease except for its negligence or willful misconduct.

Section 14.4. Net Lease. The parties hereto agree (a) that this Lease shall be deemed and construed to be a "triple net lease," (b) the Lessee shall pay absolutely net during the Lease Term, the Rental Payments, Additional Payments and all other payments required under this Lease, free of any deductions, and without abatement, deduction or setoff (other than credits against Rental Payments expressly provided for in this Lease), (c) that the payments of Rental Payments are designed to provide the Lessor funds adequate in amount to pay all Principal Components, premium, if any, and Interest Components of the Rental Payments represented by the Certificates as the same become due and payable, and (d) that if after the Principal Components, premium, if any, and Interest Components of the Rental Payments represented by the Certificates and all costs incident to the payment of the Certificates have been paid in full the Lessor holds unexpended funds received in accordance with the terms of this Lease, such unexpended funds shall, after payment therefrom of all sums then due and owing by the Lessee under the terms of this Lease, and except as otherwise provided herein and in the Indenture, become the absolute property of and be paid over forthwith to the Lessee.

Section 14.5. No Merger. Subject to **Section 3.3** of this Lease and **Section 5.1** of the Base Lease, no union of the interests of the Lessee and the Lessor herein shall result in a merger of the Base Lease and this Lease or of this Lease and the fee title to the Project Site.

Section 14.6. Payments Due on Holidays. If the date for making any payment or the last day for performance of any act or the exercising of any right, as provided in this Lease, shall be a legal holiday or a day on which banking institutions in the Lessee in which the principal business office of the Lessor or the Lessee is located are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day that is not a legal holiday or a day on which such banking institutions are not authorized by law to remain closed with the same force and effect as if done on the date provided in this Lease.

Section 14.7. Binding Effect. This Lease shall be binding upon and shall inure to the benefit of the Lessor and the Lessee and their respective successors and assigns.

Section 14.8. Severability. If for any reason any provision of this Lease shall be determined to be invalid or unenforceable, the validity and enforceability of the other provisions of this Lease shall not be affected thereby.

Section 14.9. Execution in Counterparts. This Lease may be executed simultaneously in several counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument.

Section 14.10. Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State.

Section 14.11. Electronic Storage of Documents. The Lessor and the Lessee agree that the transaction described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

UMB BANK N.A.,
as Lessor

By:____________________________________
Name:
Title:

(SEAL)

ATTEST:

____
Name:
Title:

ACKNOWLEDGMENT

STATE OF MISSOURI)
) SS.
COUNTY OF ____________)

On this ____ day of __________, 2020, before me, the undersigned, a Notary Public, appeared __________________, who being before me duly sworn did say that [s]he is a ____________________ of **UMB BANK N.A.**, a national banking association, and that said officer being authorized so to do executed the foregoing instrument for the purposes therein contained by signing on behalf of the bank as such officer.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

____
Printed Name: __________________________
Notary Public in and for said State
Commissioned in _______________ County

My commission expires:

CITY OF HARRISONVILLE, MISSOURI, as Lessee

(SEAL)

By:____
Name: Judy Bowman
Title: Mayor

ATTEST:

____
Name: Randy Jones
Title: City Clerk

ACKNOWLEDGMENT

STATE OF MISSOURI)
) SS.
COUNTY OF CASS)

On this _____ day of __________ 2020, before me, the undersigned, a Notary Public, appeared **JUDY BOWMAN**, to me personally known, who, being by me duly sworn, did say that she is the Mayor of the **CITY OF HARRISONVILLE, MISSOURI**, a fourth-class city and political subdivision duly organized and existing under the laws of the State of Missouri, and that the seal affixed to the foregoing instrument is the corporate seal of said City, and that said instrument was signed and sealed in behalf of said City by authority of its Board of Aldermen, and said officer acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

____
Printed Name: ___________________________
Notary Public in and for said State
Commissioned in _______________ County

My commission expires:

SCHEDULE 1 TO LEASE

THE PROJECT SITE

[INSERT LEGAL DESCRIPTION OF LAND SERVING AS COLLATERAL]

SCHEDULE 2 TO LEASE

THE PROJECT

The Project consists of storm water and sewer system improvements, including but not limited to (1) the construction of a dry detention basin, which will be located on a portion of the Project Site, (2) the installation of an ultraviolet disinfection system and building, which will be located on a portion of the Project Site, (3) replacing deteriorated sewer improvements near the Walmart distribution center in the City with a series of lift stations and force mains to transport sewage to the City's main wastewater treatment plant, a portion of which improvements will be located on the Project Site, and (4) the replacement of the Lake Luna and City Park spillways and rehabilitation of the dam on City Park Lake, which improvements will not be located on the Project Site.

SCHEDULE 3 TO LEASE

(FORM OF REQUISITION CERTIFICATE)

Requisition No. ________
Date: ________________

REQUISITION CERTIFICATE

TO: UMB BANK N.A., AS TRUSTEE UNDER THE TRUST INDENTURE DATED AS OF DECEMBER 1, 2020, BETWEEN THE CITY AND THE TRUSTEE.

The undersigned hereby request that a total of $_____________ be paid for Project Costs (as defined in the Trust Indenture) in such amounts, to such payees and for such purposes as set forth on **Exhibit A** attached hereto.

We hereby state and certify that:

(i) the amounts requested are or were necessary and appropriate in connection with the purchase, construction and installation of the Project, have been properly incurred and are a proper charge against the Project Fund, and have been paid, or are justly due to the persons whose names and addresses are stated above, and have not been the basis of any previous requisition from the Project Fund,

(ii) as of this date, except for the amounts specified above, there are no outstanding statements which are due and payable for labor, wages, materials, supplies or services in connection with the purchase, construction and installation of the Project which, if unpaid, might become the basis of a vendors', mechanics', laborers' or materialmen's statutory or similar lien upon the Facilities or any part thereof;

(iii) no part of the several amounts paid or due as stated above has been or is being made the basis for the withdrawal of any moneys from the Project Fund in any previous or pending application for payment made pursuant to the Lease;

(iv) all work has been performed in a good and workmanlike manner; and

(v) no defaults have occurred and are continuing under the Lease.

CITY OF HARRISONVILLE, MISSOURI

By: ____
Title:

EXHIBIT A TO REQUISITION CERTIFICATE

Amount	Payee and Address	Description

SCHEDULE 4 TO LEASE
RENTAL PAYMENT SCHEDULE

Rental Payment Date	Principal Component	Interest Component	Option Purchase Price on Certificate Payment Date through but excluding next Certificate Payment Date*

*The Option Purchase Price in the event of damage, casualty, condemnation or deficiency of title shall be determined as follows:

Rental Payment Date	Option Purchase Price on Rental Payment Date through but excluding next Rental Payment Date

TAX COMPLIANCE AGREEMENT

Dated as of December 1, 2020

Between the

CITY OF HARRISONVILLE, MISSOURI

and

UMB BANK N.A.,
as Trustee

$[Principal Amount**]**
CITY OF HARRISONVILLE, MISSOURI
REFUNDING AND IMPROVEMENT CERTIFICATES OF PARTICIPATION
SERIES 2020

Evidencing a Proportionate Interest
in Rental Payments
Payments to be Made by the
City of Harrisonville, Missouri
Pursuant to an
Annually-Renewable Lease Agreement

TAX COMPLIANCE AGREEMENT

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ARTICLE V

MISCELLANEOUS PROVISIONS

* * *

TAX COMPLIANCE AGREEMENT

THIS TAX COMPLIANCE AGREEMENT (the "Tax Agreement"), entered into as of December 1, 2020, between the **CITY OF HARRISONVILLE, MISSOURI,** a political subdivision organized and existing under the laws of the State of Missouri (the "City") and **UMB BANK N.A.,** a national banking association duly organized and existing under the laws of the United States of America, as Trustee (the "Trustee").

RECITALS

1. This Tax Agreement is being executed and delivered in connection with the execution and delivery of $[**Principal Amount**] principal amount of the City of Harrisonville, Missouri, Refunding and Improvement Certificates of Participation, Series 2020 (the "Certificates"), evidencing a proportionate interest of the owners thereof in Rental Payments to be made by the City pursuant to an annually-renewable Lease Agreement between the Trustee, as lessor, and the City, as lessee, dated as of the date of this Tax Agreement (the "Lease"), which Certificates are delivered under a Trust Indenture dated as of the date of this Tax Agreement (the "Indenture") made by the Trustee, for the purposes described in this Tax Agreement, the Indenture and the Lease.

2. The Internal Revenue Code of 1986, as amended (the "Code"), and the applicable regulations and rulings issued by the U.S. Treasury Department (the "Regulations"), impose certain limitations on the uses and investment of the Certificate proceeds and of certain other money relating to the Lease and set forth the conditions under which the Interest Component of the Rental Payments paid by the City and distributed to the registered owners of the Certificates will be excluded from gross income for federal income tax purposes.

3. The City and the Trustee are entering into this Tax Agreement in order to set forth certain facts, covenants, representations, and expectations relating to the use of Certificate proceeds and the property financed or refinanced with those proceeds and the investment of the Certificate proceeds and of certain other related money, in order to establish and maintain the exclusion of the Interest Component of Rental Payments represented by the Certificates from gross income for federal income tax purposes.

4. The City adopted the Tax-Exempt Financing Compliance Procedure on May 1, 2012 (the "Tax Compliance Procedure"), a copy of which is attached hereto as **Exhibit F**, for the purpose of setting out general procedures for the City to continuously monitor and comply with the federal income tax requirements set out in the Code and the Regulations.

5. This Tax Agreement is entered into as required by the Tax Compliance Procedure to set out specific tax compliance procedures applicable to the Certificates.

NOW, THEREFORE, in consideration of the foregoing and the mutual representations, covenants and agreements set forth in this Tax Agreement, the City and the Trustee represent, covenant and agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions of Words and Terms. Except as otherwise provided in this Tax Agreement or unless the context otherwise requires, capitalized words and terms used in this Tax Agreement have the same meanings as set forth in the Indenture and the Lease, and certain other words and phrases have the meanings assigned in Code §§ 103, 141-150 and the Regulations. In addition, the following words and terms used in this Tax Agreement have the following meanings:

"Adjusted Gross Proceeds" means the Gross Proceeds of the New Money Portion or the Refunding Portion, as applicable, reduced by amounts (a) in a Bona Fide Debt Service Fund or a reasonably required reserve or replacement fund, (b) that as of the Issue Date are not expected to be Gross Proceeds, but which arise after the end of the applicable spending period and (c) representing grant repayments or sale or Investment proceeds of any purpose Investment.

"Annual Compliance Checklist" means a checklist for the Certificates designed to measure compliance with the requirements of this Tax Certificate and the Tax Compliance Procedure after the Issue Date, as further described in **Section 4.2** hereof and substantially in the form attached hereto as **Exhibit D**.

"Available Construction Proceeds" means the sale proceeds of the New Money Portion, increased by (a) Investment earnings on the sale proceeds, (b) earnings on amounts in a reasonably required reserve or replacement fund allocable to the New Money Portion but not funded from the Certificates and (c) earnings on such earnings, reduced by sale proceeds (1) in any reasonably required reserve fund or (2) used to pay issuance costs of the Certificates. But Available Construction Proceeds do not include Investment earnings on amounts in a reasonably required reserve or replacement fund after the earlier of (A) the second anniversary of the Issue Date or (B) the date the Financed Facility is substantially completed.

"Base Lease" means the Base Lease dated as of December 1, 2020, between the City as lessor, and the Trustee, as lessee.

"Bona Fide Debt Service Fund" means a fund, which may include Certificate proceeds, that (a) is used primarily to achieve a proper matching of revenues with Rental Payments within each Certificate Year and (b) is depleted at least once each Certificate Year, except for a reasonable carryover amount not to exceed the greater of (1) the earnings on the fund for the immediately preceding Certificate Year or (2) one-twelfth of the Rental Payments for the immediately preceding Certificate Year.

"Bond Compliance Officer" means the City's Director of Finance or other person named in the Tax Compliance Procedure.

"Certificate" or **"Certificates"** means any Certificate or Certificates described in the recitals, authenticated and delivered under the Indenture.

"Certificate Fund" means the Certificate Fund established pursuant to the Indenture in the custody of the Trustee.

"Certificate Year" means each one-year period (or shorter period for the first Certificate Year) ending November 1, or another one-year period selected by the City.

"City" means the City of Harrisonville, Missouri, and its successors and assigns, or any body, agency or instrumentality of the State of Missouri succeeding to or charged with the powers, duties and functions of the City.

"Code" means the Internal Revenue Code of 1986, as amended.

"Computation Date" means each date on which arbitrage rebate and yield reduction amounts for the Certificates are computed. The City may treat any date as a Computation Date, subject to the following limits:

(a) the first rebate installment payment must be made for a Computation Date not later than five years after the Issue Date;

(b) each subsequent rebate installment payment must be made for a Computation Date not later than five years after the previous Computation Date for which an installment payment was made; and

(c) the date the last Certificate is discharged is the final Computation Date.

The City selects December 1, 2025, as the first Computation Date but reserves the right to select a different date consistent with the Regulations.

"Escrow Agent" means UMB Bank, N.A., as escrow agent under the Escrow Agreement.

"Escrow Agreement" means the Letter of Instructions to Prepay Certificates from the City to the Escrow Agent dated November __, 2020.

"Escrow Fund" means the prepayment fund established for the Series 2012 Certificates held and administered by the Escrow Agent pursuant to the Escrow Agreement.

"Final Written Allocation" means the written allocation of expenditures of proceeds of the Original Obligations as summarized on **Exhibit C** and the Final Written Allocation of expenditures prepared by the Bond Compliance Officer in accordance with the Tax Compliance Procedure and **Section 4.2(b)** of this Tax Agreement.

"Financed Facility" means any of the property being financed or refinanced with the proceeds of the New Money Portion and the Original Obligations as described on **Exhibit C** hereto.

"Gross Proceeds" means (a) sale proceeds (any amounts actually or constructively received by the City from the sale of the Certificates, including amounts used to pay underwriting discount or fees, but excluding pre-issuance accrued interest), (b) Investment proceeds (any amounts received from investing sale proceeds, other Investment proceeds or transferred proceeds) (c) any amounts held in a sinking fund for the Certificates, (d) any amounts held in a pledged fund or reserve fund for the Certificates, (e) any other replacement proceeds and (f) any transferred proceeds. Specifically, Gross Proceeds includes (but is not limited to) amounts held in the following funds and accounts:

(1) Project Fund.
(2) Certificate Fund.
(3) Escrow Fund.

"Guaranteed Investment Contract" means any Investment with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate, including any agreement to supply Investments on two or more future dates (*e.g.*, a forward supply contract).

"Indenture" means the Trust Indenture dated as of December 1, 2020, as originally executed by the Trustee and the City, as amended and supplemented in accordance with the provisions of the Indenture.

"Interest Component" means the portion of each Rental Payments that represents the payment of interest, as provided by the Lease.

"Investment" means any security, obligation, annuity contract or other investment-type property that is purchased directly with, or otherwise allocated to, Gross Proceeds. This term does not include a tax-exempt bond, except for "specified private activity bonds" as defined in Code § 57(a)(5)(C), but it does include the investment element of most interest rate caps.

"IRS" means the United States Internal Revenue Service.

"Issue Date" means December __, 2020.

"Lease" means the Lease Agreement dated as of December 1, 2020, between the Trustee, as lessor, and the City, as lessee, as amended and supplemented in accordance with the provisions thereof.

"Management or Service Agreement" means a legal agreement defined in Regulations § 1.141-3(b) as a management, service, or incentive payment contract with an entity that provides services involving all or a portion of any function of the Financed Facility, such as a contract to manage the entire Financed Facility or a portion of the Financed Facility. Contracts for services that are solely incidental to the primary governmental function of the Financed Facility (for example, contracts for janitorial, office equipment repair, billing, or similar services) are not treated as Management or Service Agreements.

"Measurement Period" means, with respect to each item of property financed as part of the Financed Facility with proceeds of the New Money Portion , the period beginning on the later of (a) the Issue Date or (b) the date the property is placed in service and ending on the earlier of (1) the final maturity date of the Certificates or (2) the end of the expected economic useful life of the property. For each item of property financed as part of the Financed Facility with proceeds of the Original Obligations, "measurement period" means the period beginning on the later of (a) the issue date of the Original Obligations or (b) the date the property was or will be placed in service, and ending on the earlier of (1) the final maturity date of the Certificates or (2) the expected economic useful life of the property.

"Minor Portion" means $100,000.

"Net Proceeds" means, when used in reference to the Certificates or the New Money Portion, the sale proceeds of the Certificates (excluding pre-issuance accrued interest), less any proceeds deposited in a reasonably required reserve or replacement fund, plus all Investment earnings on such sale proceeds.

"New Money Portion" means the portion of the Certificates properly allocable to the financing of new money capital expenditures and related common costs of the Certificates.

"Non-Qualified Use" means use of Certificate proceeds or the Financed Facility in a trade or business carried on by any Non-Qualified User. The rules set out in Regulations § 1.141-3 determine whether Certificate proceeds or the Financed Facility are "used" in a trade or business. Generally, ownership, a lease, or any other use that grants a Non-Qualified User a special legal right or entitlement with respect to the Financed Facility, will constitute use under Regulations § 1.141-3.

"Non-Qualified User" means any person or entity other than a Qualified User.

"Opinion of Special Counsel" means the written opinion of Special Counsel to the effect that the action or proposed action or the failure to act or proposed failure to act for which the opinion is required will not adversely affect the exclusion of the Interest Component of Rental Payments from gross income for federal income tax purposes.

"Original Obligations" means the Series 2003 Certificates, which was the first issue of tax-exempt governmental obligations that financed or refinanced a portion of the Financed Facility.

"Post-Issuance Tax Requirements" means those requirements related to the use of proceeds of the Certificates, the use of the Financed Facility and the investment of Gross Proceeds after the Issue Date.

"Principal Component" means the portion of each Rental Payments Payment that represents the payment of principal, as provided by the Lease.

"Project" means all of the property being acquired, developed, constructed, renovated, and equipped by the City using proceeds of the New Money Portion, the Original Obligations and Qualified Equity, as described on **Exhibit C**.

"Project Fund" means the Project Fund established in the custody of the Trustee pursuant to the Indenture.

"Qualified Equity" means funds that are not derived from proceeds of a tax-exempt financing that are spent on the Project at any time during the period beginning not earlier than the later of (a) 60 days before the official intent date for the Certificates and the Original Obligations, or (b) three years before the Issue Date, and ending not later than the date the Project is capable of and actually used at substantially its designed level. Qualified Equity excludes a pre-existing ownership interest in real property or tangible personal property.

"Qualified Use Agreement" means any of the following:

(a) A lease or other short-term use by members of the general public who occupy the Financed Facility on a short-term basis in the ordinary course of the City's governmental purposes.

(b) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 200 days in length pursuant to an arrangement whereby (1) the use of the Financed Facility under the same or similar arrangements is predominantly by natural persons who are not engaged in a trade or business and (2) the compensation for the use is determined based on generally applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed. Any Qualified User or Non-Qualified User using all or any portion of the Financed Facility under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(c) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 100 days in length pursuant to arrangements whereby (1) the use of the property by the person would be general public use but for the fact that generally applicable and uniformly applied rates are not reasonably available to natural persons not engaged in a trade or business, (2) the compensation for the use under the arrangement is determined based on applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed and (3) the Financed Facility was not constructed for a principal purpose of providing the property for use by that Qualified User or Non-Qualified User. Any Qualified User or Non-Qualified User using all or any portion of the Financed Facility under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(d) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 50 days in length pursuant to a negotiated arm's-length arrangement at fair market value so long as the Financed Facility was not constructed for a principal purpose of providing the property for use by that person.

"Qualified User" means a State, territory, possession of the United States, the District of Columbia, or any political subdivision thereof, or any instrumentality of such entity, but it does not include the United States or any agency or instrumentality of the United States.

"Reasonable Retainage" means Gross Proceeds retained by the City for reasonable business purposes, such as to ensure or promote compliance with a construction contract; provided that such amount may not exceed (a) for purposes of the 18-month spending test, 5% of net sale proceeds of the New Money Portion on the date 18 months after the Issue Date or (b) for purposes of the 2-year spending test, 5% of the Available Construction Proceeds as of the end of the 2-year spending period.

"Rebate Analyst" means Gilmore & Bell, P.C. or a successor Rebate Analyst selected pursuant to this Tax Agreement.

"Refunded Obligations" means the $1,640,000 outstanding principal amount of the Series 2012 Certificates, scheduled to mature December 1 in the years 2021 and 2022.

"Refunding Portion" means the sale proceeds of the Certificates properly allocable to the refunding of the Refunded Obligations and related common costs of the Certificates.

"Regulations" means all regulations issued by the U.S. Treasury Department to implement the provisions of Code §§ 103 and 141 through 150 and applicable to the Certificates.

"Rental Payments" means a payment of rent required by the Lease, with each such payment comprised of a Principal Component and an Interest Component.

"Series 2003 Certificates" means the City's $12,835,000 original principal amount Lease Participation Certificates (City of Harrisonville, Missouri Project), Series 2003, delivered August 29, 2003, the proceeds of which were used to financed new money capital expenditures.

"Series 2012 Certificates" means the City's $7,830,000 original principal amount Refunding Certificates of Participation (City of Harrisonville, Missouri Projects), Series 2012, the proceeds of which were used to advance refund the Series 2003 Certificates.

"Special Counsel" means Gilmore & Bell, P.C., or other firm of nationally recognized counsel acceptable to the City.

"Tax-Exempt Bond File" means documents and records for the Lease and the Certificates and the Original Obligations maintained by the Bond Compliance Officer pursuant to the Tax Compliance Procedure.

"Tax Agreement" means this Tax Compliance Agreement as it may from time to time be amended and supplemented in accordance with its terms.

"Tax Compliance Procedure" means the City's Tax-Exempt Financing Compliance Procedures dated May 1, 2012, a copy of which is attached hereto as **Exhibit F**.

"Transcript" means the Transcript of Proceedings relating to the authorization and delivery of the Certificates.

"Trustee" means UMB Bank N.A., and its successor or successors and any other corporation or association which at any time may be substituted in its place at the time serving as Trustee under the Indenture.

"Underwriter" means Stifel Nicolaus & Company, Incorporated, the original purchaser of the Certificates.

"Yield" means yield on the Lease, computed under Regulations § 1.148-4, and yield on an Investment, computed under Regulations § 1.148-5.

ARTICLE II

GENERAL REPRESENTATIONS AND COVENANTS

Section 2.1. Representations and Covenants of the City. The City represents and covenants as follows:

(a) *Organization and Authority*. The City (1) is a political subdivision organized and existing under the laws of the State of Missouri, (2) has lawful power and authority to enter into, execute and deliver the Base Lease, the Lease and this Tax Agreement and to carry out its obligations under the Base Lease, the Lease and this Tax Agreement and (3) by all necessary action has been duly authorized to execute and deliver the Base Lease, the Lease and this Tax Agreement, acting by and through its duly authorized officials.

(b) *Tax-Exempt Status of Certificates – General Representation and Covenants and Allocation of Proceeds*.

(1) General. In order to maintain the exclusion of the Interest Component of the Rental Payments represented by the Certificates from gross income for federal income tax purposes, the City (1) will take whatever action, and refrain from whatever action, necessary to comply with the applicable requirements of the Code, (2) will not use or invest, or permit the use or investment of, any Certificate proceeds, other money held under the Indenture, or other funds of the City, in a manner that would violate applicable provisions of the Code and (3) will not use, or permit the use of, any portion of the Financed Facility in a manner that would cause the Lease or any Certificate to become a "private activity bond" as defined in Code § 141.

(2) Allocations. The City has and will account for the expenditure of the proceeds of the New Money Portion, the Original Obligations and Qualified Equity for the Project as described in **Section 4.2** hereof. For purposes of the following covenants related to the use of the Financed Facility, any Non-Qualified Use shall be treated as first allocated entirely to the portion of the Project financed with Qualified Equity.

(c) *Governmental Obligations – Use of Proceeds*. Throughout the Measurement Period, (1) all of the Financed Facility has been and is expected to be owned by the City or another Qualified User, (2) no portion of the Financed Facility has been or is expected to be used in a Non-Qualified Use and (3) the City will not permit any Non-Qualified Use of the Financed Facility without first consulting with Special Counsel.

(d) *Governmental Obligations – Private Security or Payment*. As of the Issue Date, the City expects that none of the Rental Payments represented by the Certificates will be, and the payment of the prepayment price and accrued interest on the Refunded Obligations and on all other obligations which directly or indirectly refinanced the Original Obligations has not been (under the terms of the Lease or any underlying arrangement), directly or indirectly:

(1) secured by (A) any interest in property used or to be used for a Non-Qualified Use or (B) any interest in payments in respect of such property; or

(2) derived from payments (whether or not such payments are made to the City) in respect of property, or borrowed money, used or to be used for a Non-Qualified Use.

For purposes of the foregoing, taxes of general application, including payments in lieu of taxes, are not treated as private payments or as private security. The City will not permit any private security or payment with respect to the Certificates without first consulting with Special Counsel.

(e) *No Private Loan*. Not more than 5% of the Net Proceeds of the Certificates will be loaned directly or indirectly to any Non-Qualified User.

(f) *Management or Service Agreements*. As of the Issue Date, the City has no Management or Service Agreements with Non-Qualified Users. During the Measurement Period, the City has not and will not enter into any Management or Service Agreement with any Non-Qualified User without first consulting with Special Counsel.

(g) *Leases*. Except for the Base Lease and the Lease, neither of which gives rise to Non-Qualified Use, as of the Issue Date, the City has not entered into any leases of any portion of the Financed Facility other than Qualified Use Agreements. During the Measurement Period, the City has not and will not enter into or renew any lease or similar agreement or arrangement other than a Qualified Use Agreement without first consulting with Special Counsel.

(h) *Limit on Maturity*. A list of the assets included in the Financed Facility and a computation of the "average reasonably expected economic life" is attached to this Tax Agreement as **Exhibit C** hereto. Based on this computation, the "average maturity" of the Certificates, as computed by Special Counsel, does not exceed the average reasonably expected economic life of the Financed Facility. The "average reasonably expected economic life" of the Financed Facility was determined as follows: the average economic life of the Financed Facility as of the issue date of the Original Obligations was first multiplied by 120%, then reduced by the number of years elapsed from the issue date of the Original Obligations to the Issue Date. The "average maturity" of the Certificates, as computed by the Special Counsel, does not exceed the average reasonably expected economic life of the Financed Facility, as such terms are used in Code § 147(b).

(i) *Expenditure of Certificate Proceeds*.

(1) Original Obligations.

(a) Allocations. The City evidenced each allocation of the proceeds of the Original Obligations and Qualified Equity for the Project to an expenditure in writing. No allocation was made more than 18 months following the later of (i) the date of the expenditure or (ii) the date the Financed Facility was placed in service.

(b) Reimbursement of Expenditures; Official Intent. Prior to the issuance of the Original Obligations, the governing body of the City adopted a resolution declaring the intent of the City to finance the Financed Facility with tax-exempt bonds and to reimburse the City for expenditures made for the Financed Facility prior to the issuance of those bonds. No portion of the Net Proceeds of the Original Obligations was used to reimburse an expenditure paid by the City more than 60 days prior to the date the resolution was adopted, except as described in the Tax Compliance Agreements for the Original Obligations.

(2) New Money Portion.

(a) Allocations. The City will evidence each allocation of the proceeds of the New Money Portion and Qualified Equity for the Project to an expenditure in writing. No allocation will be made more than 18 months following the later of (A) the date of the expenditure or (B) the date the Financed Facility was placed in service.

(b) Reimbursement of Expenditures; Official Intent. On ___________, the governing body of the City adopted a resolution declaring the intent of the City to finance the Project with tax-exempt obligations and to reimburse the City for expenditures made for the Project before the issuance of those obligations. [**$__________ of the proceeds of the New Money Portion will be allocated to expenditures paid by the City before the Issue Date and should be shown on line 45a of Form 8038-G.**] No portion of the Net Proceeds of the Certificates will be used to reimburse an expenditure paid by the City more than 60 days before the date the resolution was adopted. No reimbursement allocation will be made for an expenditure made more than 3 years before the date of the reimbursement allocation.

(j) *Registered Certificates*. The Indenture requires that all of the Certificates will be delivered and held in registered form within the meaning of Code § 149(a).

(k) *No Federal Guarantee*. The City will not take any action or permit any action to be taken which would cause the Lease or Certificates to be "federally guaranteed" within the meaning of Code § 149(b).

(l) *IRS Form 8038-G*. Special Counsel will prepare Form 8038-G (Information Return for Tax-Exempt Governmental Obligations) based on the representations and covenants of the City contained in this Tax Agreement or otherwise provided by the City. Special Counsel will sign the return as a paid preparer following completion and will then deliver copies to the City for execution and for the City's records. The City agrees to timely execute and return to Special Counsel the execution copy of Form 8038-G for filing with the IRS. A copy of the "as-filed" Form 8038-G, along with proof of filing is attached hereto as **Exhibit B**.

(m) *Hedge Bonds*. At least 85% of the net sale proceeds (the sale proceeds of the New Money Portion less any sale proceeds invested in a reserve fund) of the New Money Portion will be used to carry out the governmental purpose of the New Money Portion within 3 years after the Issue Date, and not more than 50% of the proceeds of the New Money Portion will be invested in Investments having a substantially guaranteed Yield for 4 years or more. At least 85% of the net sale proceeds (the sale proceeds of the Original Obligations less any sale proceeds invested in a reserve fund) of the Original Obligations were used to carry out the governmental purpose of the Original Obligations within 3 years after the issue date of the Original Obligations, and not more than 50% of the proceeds of the Original Obligations were invested in Investments having a substantially guaranteed Yield for 4 years or more.

(n) *Compliance with Future Tax Requirements*. The City understands that the Code and the Regulations may impose new or different restrictions and requirements on the City in the future. The City will comply with such future restrictions that are necessary to maintain the exclusion of the Interest Component of the Rental Payments from gross income for federal income tax purposes.

(o) *Single Issue; No Other Issues*. The Certificates constitute a single "issue" under Regulations § 1.150-1(c). No other debt obligations of the City (1) are being sold within 15 days of the sale of the Lease and Certificates, (2) are being sold under the same plan of financing as the Lease and Certificates and (3) are expected to be paid from substantially the same source of funds as the Lease and Certificates (disregarding guarantees from unrelated parties, such as bond insurance).

(p) *Interest Rate Swap*. As of the Issue Date, the City has not entered into an interest rate swap agreement or any other similar arrangement designed to modify its interest rate risk with respect to the Certificates. The City will not enter into any such arrangement in the future without consulting with Special Counsel.

(q) *Guaranteed Investment Contract*. As of the Issue Date, the City does not expect to enter into a Guaranteed Investment Contract for any Gross Proceeds of the Lease. The City will be responsible for complying with **Section 4.4(d)** hereof if it decides to enter into a Guaranteed Investment Contract at a later date.

(r) *Bank Qualified Tax-Exempt Obligation*. The Lease and the Certificates are not "qualified tax-exempt obligations" under Code § 265(b)(3).

Section 2.2. Representations and Covenants of the Trustee. The Trustee represents and covenants to the City as follows:

(a) The Trustee will comply with the provisions of this Tax Agreement that apply to it as Trustee and any written letter, advice or Opinion of Special Counsel, specifically referencing the Lease or Certificates and received by the Trustee, that sets forth any action necessary to comply with any statute, regulation or ruling that may apply to it as Trustee and relating to reporting requirements or other requirements necessary to maintain the exclusion of the Interest Component of the Rental Payments from gross income for federal income tax purposes.

(b) The Trustee, acting on behalf of the City, may from time to time cause a firm of attorneys, consultants or independent accountants or an investment banking firm to provide the Trustee with such information as it may request in order to determine all matters relating to (1) the Yield on the Lease as it relates to any data or conclusions necessary to verify that the Lease is not an "arbitrage bond" within the meaning of Code § 148 and (2) compliance with arbitrage rebate requirements of Code § 148(f). The City will pay all costs and expenses incurred in connection with supplying the foregoing information.

(c) The Trustee will retain records related to the investment and expenditure of Gross Proceeds held in funds and accounts maintained by the Trustee and any records provided to the Trustee by the City related to the Post-Issuance Tax Requirements in accordance with **Section 4.2(a**) of this Tax Agreement. The Trustee will retain these records until three years following the final maturity of (i) the Certificates or (ii) any obligation issued to refund the Certificates; provided, however, if the Trustee is not retained to serve as trustee for any obligation issued to refund the Certificates (a "Refunding Obligation"), then the Trustee may satisfy its record retention duties under this **Section 2.3(c)** by providing copies of all records in its possession related to the Certificates to the trustee for the Refunding Obligation or other party agreed upon by the City.

Section 2.3. Survival of Representations and Covenants. All representations, covenants and certifications of the City and the Trustee contained in this Tax Agreement or in any certificate or other instrument delivered by the City or the Trustee under this Tax Agreement, will survive the execution and delivery of such documents and the approval and delivery of the Lease and Certificates, as representations of facts existing as of the date of execution and delivery of the instruments containing such representations. The foregoing covenants of this Section will remain in full force and effect notwithstanding the defeasance of the Lease.

ARTICLE III

ARBITRAGE CERTIFICATIONS AND COVENANTS

Section 3.1. General. The purpose of this Article is to certify, under Regulations § 1.148-2(b), the City's expectations as to the sources, uses and investment of Certificate proceeds and other money, in order to support the City's conclusion that the Lease is not an arbitrage bond. The persons executing this Tax Agreement on behalf of the City are officers of the City responsible for delivering the Lease and authorizing the Trustee to deliver the Certificates.

Section 3.2. Reasonable Expectations. The facts, estimates and expectations set forth in this Article are based upon and in reliance upon the City's understanding of the documents and certificates that comprise the Transcript, and the representations, covenants and certifications of the parties contained therein. To the City's knowledge, the facts and estimates set forth in this Tax Agreement are accurate, and the expectations of the City set forth in this Tax Agreement are reasonable. The City has no knowledge that would cause it to believe that the representations, warranties and certifications described in this Tax Agreement are unreasonable or inaccurate or may not be relied upon.

Section 3.3. Purpose of Financing. The Lease is being executed and Certificates are being delivered for the purpose of providing funds to (a) refund the Refunded Obligations, (b) pay costs of the Financed Facility, and (c) pay certain costs in connection with the execution and delivery of the Lease and Certificates. The purpose of refunding the Refunded Obligations is to achieve interest cost savings and provide an orderly plan of finance.

Section 3.4. Funds. The following funds have been established under the Indenture:

- Project Fund.
- Certificate Fund

In addition, the Escrow Fund is established in the custody of the Escrow Agent under the Escrow Agreement.

Section 3.5. Amount and Use of Certificate Proceeds.

(a) *Amount of Certificate Proceeds*. The total proceeds to be received by the City from the sale of the Certificates will be as follows:

Principal Amount	$[**Principal Amount**].00
Plus Original Issue Premium	0.00
Less Underwriting Discount	(0.00)
Total Proceeds Received by the City	$0.0

(b) *Use of Certificate Proceeds and Other Money*. The Certificate proceeds and other money available to the City are expected to be allocated to expenditures as follows:

(1) $___________ of proceeds of the Certificates will be used to pay the costs of delivery of the Certificates.

(2) $___________ of Certificate proceeds will be transferred to the Escrow Agent for deposit in the Escrow Fund to be applied as provided in the Escrow Agreement to the payment of the principal component and interest component of rental payments of the Refunded Obligations on December __, 2020.

(3) $___________ of Certificate proceeds will be deposited in the Project Fund and will be used to pay costs of the Financed Facility.

Section 3.6. Multipurpose Issue. Pursuant to Regulations § 1.148-9(h), the City is applying the arbitrage rules to separate financing purposes of the issue that have the same initial temporary period as if they constitute a single issue for purposes of applying the arbitrage rules. Under Regulations § 1.148-9(h), the Certificates will be treated as 2 separate issues (a New Money Portion and a Refunding Portion) for purposes of applying certain of the arbitrage restrictions under Code § 148. No allocation of the Certificates between the New Money Portion and the Refunding Portion is being made at this time, but at the future option of the City, it can make such an allocation in accordance with Regulations § 1.148-9(h).

Section 3.7. No Advance Refunding. No Certificate proceeds will be used more than 90 days following the Issue Date to pay principal of or interest on any other debt obligation.

Section 3.8. Current Refunding.

(a) *Current Refunding*. Certificate proceeds will be used to pay the principal component and interest component of rental payments on the Refunded Obligations. All of these proceeds will be spent on December __, 2020, which is not later than 90 days after the Issue Date.

(b) *Transferred Proceeds.* There are no unspent proceeds (sale proceeds, Investment proceeds or transferred proceeds) of the Refunded Obligations. Therefore, there are no transferred proceeds of the Certificates.

Section 3.9. Project Completion; New Money Portion. The City has incurred, or will incur within 6 months after the Issue Date, a substantial binding obligation to a third party to spend at least 5% of the Net Proceeds of the New Money Portion on the Financed Facility. The completion of the Financed Facility and the allocation of the Net Proceeds of the New Money Portion to expenditures will proceed with due diligence. At least 85% of the net sale proceeds of the New Money Portion will be allocated to expenditures on the Financed Facility within 3 years after the Issue Date.

Section 3.10. Sinking Funds. The City is required to make periodic payments in amounts sufficient to pay the Rental Payments represented by the Certificates. Such payments will be deposited into the Certificate Fund. Except for the Certificate Fund, no sinking fund or other similar fund that is expected to be used to pay Rental Payments has been established or is expected to be established. The Certificate Fund is used primarily to achieve a proper matching of revenues with Rental Payments within each Certificate Year, and the City expects that the Certificate Fund will qualify as a Bona Fide Debt Service Fund.

Section 3.11. Reserve, Replacement and Pledged Funds.

(a) *Reserve Fund*. No reserve or replacement fund has been established for the Certificates.

(b) *No Other Replacement or Pledged Funds*. None of the Certificate proceeds will be used as a substitute for other funds that were intended or earmarked to pay costs of the Financed Facility or refund the Refunded Obligations, and that instead has been or will be used to acquire higher yielding Investments. Except for the Certificate Fund, there are no other funds pledged or committed in a manner that provides a reasonable assurance that such funds would be available for Rental Payments if the City encounters financial difficulty.

Section 3.12. Purpose Investment Yield. The Certificate proceeds will not be used to purchase an Investment for the purpose of carrying out the governmental purpose of the financing.

Section 3.13. Issue Price and Yield.

(a) *Issue Price*. Based on the Underwriter's certifications in the Underwriter's Receipt and Closing Certificate, the City hereby elects to establish the issue prices of the Certificates pursuant to

Regulations § 1.148-1(f)(2)(i) (relating to the so-called "general rule"). Therefore, the aggregate issue price of the Certificates for such purpose is $____________.

(b) *Yield*. Based on the issue price, the Yield on the Lease is ________%, as computed by Special Counsel and shown on **Exhibit A**. The City has not entered into an interest rate swap agreement with respect to any portion of the proceeds of the Certificate proceeds.

Section 3.14. Miscellaneous Arbitrage Matters.

(a) *No Abusive Arbitrage Device*. The Lease and Certificates are not and will not be part of a transaction or series of transactions that has the effect of (1) enabling the City to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, and (2) overburdening the tax-exempt bond market.

(b) *No Over-Issuance*. The sale proceeds of the Certificates, together with expected Investment earnings thereon, do not exceed the cost of the governmental purpose of the Lease and Certificates as described above.

Section 3.15. Conclusion. On the basis of the facts, estimates and circumstances set forth in this Tax Agreement, the City does not expect that the Certificate proceeds will be used in a manner that would cause the Lease or any Certificate to be an "arbitrage bond" within the meaning of Code § 148 and the Regulations.

ARTICLE IV

POST-ISSUANCE TAX REQUIREMENTS, POLICIES AND PROCEDURES

Section 4.1. General.

(a) *Purpose of Article*. The purpose of this Article is to supplement the Tax Compliance Procedure and to set out specific policies and procedures governing compliance with the federal income tax requirements that apply after the Lease is executed and Certificates are delivered. The City recognizes that the Interest Component of the Rental Payments represented by the Certificates will remain excludable from gross income only if the Post-Issuance Tax Requirements are followed after the Issue Date. The City further acknowledges that written evidence substantiating compliance with the Post-Issuance Tax Requirements must be retained in order to permit the Certificates to be refinanced with tax-exempt obligations and substantiate the position that the Interest Component of the Rental Payments represented by the Certificates is exempt from gross income in the event of an audit of the Lease by the IRS.

(b) *Written Policies and Procedures of the City*. The City intends for the Tax Compliance Procedure, as supplemented by this Tax Agreement, to be its primary written policies and procedures for monitoring compliance with the Post-Issuance Tax Requirements for the Lease and to supplement any other formal policies and procedures related to tax compliance that the City has established. The provisions of this Tax Agreement are intended to be consistent with the Tax Compliance Procedure. In the event of any inconsistency between the Tax Compliance Procedure and this Tax Agreement, the terms of this Tax Agreement will govern.

(c) *Bond Compliance Officer*. The City when necessary to fulfill its Post-Issuance Tax Requirements will, through its Bond Compliance Officer, sign Form 8038-T in connection with the payment of arbitrage rebate or Yield reduction payments, participate in any federal income tax audit of the Certificates or related proceedings under a voluntary compliance agreement procedures (VCAP) or undertake a remedial action procedure pursuant to Regulations § 1.141-12. In each case, all costs and expenses incurred by the City shall be treated as a reasonable cost of administering the Certificates and the City shall be entitled to reimbursement and recovery of its costs to the same extent as provided in the Indenture or State law.

Section 4.2. Record Keeping; Use of Certificate Proceeds and Use of Financed Facility.

(a) *Record Keeping*. The Bond Compliance Officer will maintain the Tax-Exempt Bond File for the Certificates in accordance with the Tax Compliance Procedure. Unless otherwise specifically instructed in a written Opinion of Special Counsel or to the extent otherwise provided in this Tax Agreement, the Bond Compliance Officer shall retain records related to the Post-Issuance Tax Requirements until 3 years following the final maturity of (1) the Certificates or (2) any obligation issued to refund the Certificates. Any records maintained electronically must comply with Section 4.01 of Revenue Procedure 97-22, which generally provides that an electronic storage system must (A) ensure an accurate and complete transfer of the hardcopy records which indexes, stores, preserves, retrieves and reproduces the electronic records, (B) include reasonable controls to ensure integrity, accuracy and reliability of the electronic storage system and to prevent unauthorized alteration or deterioration of electronic records, (C) exhibit a high degree of legibility and readability both electronically and in hardcopy, (D) provide support for other books and records of the City and (E) not be subject to any agreement that would limit the ability of the IRS to access and use the electronic storage system on the City's premises.

(b) *Accounting and Allocation of Certificate Proceeds and Qualified Equity to Expenditures*. The Bond Compliance Officer will account for the investment and expenditure of proceeds of the Certificates in the level of detail required by the Tax Compliance Procedure. The Bond Compliance Officer will supplement the expected allocation of New Money Portion proceeds to expenditures with a Final Written Allocation as required by the Tax Compliance Procedure. A sample form of Final Written Allocation is attached as **Exhibit E**. Proceeds of the Refunding Portion will be used as described in **Sections 3.5** and **3.8**. The Bond Compliance Officer will maintain accounting records showing the investment and expenditure of this money as part of the Tax-Exempt Bond File. The Bond Compliance Officer has prepared written records substantiating the allocation of proceeds of the Original Obligations to the Financed Facility. This allocation is summarized on **Exhibit C** and is intended to constitute the Final Written Allocation for the Original Obligations.

(c) *Annual Compliance Checklist*. Attached as **Exhibit D** hereto is a form of Annual Compliance Checklist for the Certificates. The Bond Compliance Officer will prepare and complete an Annual Compliance Checklist for the Financed Facility at least annually in accordance with the Tax Compliance Procedure. In the event the Annual Compliance Checklist identifies a deficiency in compliance with the requirements of this Tax Agreement, the Bond Compliance Officer will take the actions identified in advice or an Opinion of Special Counsel or the Tax Compliance Procedure to correct any deficiency.

(d) *Opinions or Advice of Special Counsel*. The Bond Compliance Officer is responsible for obtaining and delivering to the City and the Trustee any advice or Opinion of Special Counsel required under the provisions of this Tax Agreement, including any advice or Opinion of Special Counsel required by this Tax Agreement or the Annual Compliance Checklist.

Section 4.3. Investment Yield Restriction. Except as described below, the City will not invest Gross Proceeds at a Yield greater than the Yield on the Lease:

(a) *Project Fund and Costs of Issuance*. Certificate proceeds deposited in the Project Fund or used to pay costs of issuance of the Certificates and the Lease allocable to the New Money Portion and Investment earnings on those proceeds may be invested without Yield restriction for up to 3 years following the Issue Date. If any unspent proceeds remain in those funds after 3 years, those amounts may continue to be invested without Yield restriction so long as the City pays to the IRS all Yield reduction payments in accordance with Regulations § 1.148-5(c). These payments are required whether or not the Certificates are exempt from the arbitrage rebate requirements of Code § 148.

(b) *Escrow Fund*. Proceeds of the Certificates deposited in the Escrow Fund or otherwise allocable to a current refunding of the Refunded Obligations (see **Section 3.8**) may be invested without Yield restriction for up to 90 days after the Issue Date.

(c) *Certificate Fund*. To the extent that the Certificate Fund qualifies as a Bona Fide Debt Service Fund, money in such fund may be invested without Yield restriction for 13 months after the date of deposit. Earnings on such amounts may be invested without Yield restriction for one year after the date of receipt of such earnings.

(d) *Minor Portion*. In addition to the amounts described above, Gross Proceeds not exceeding the Minor Portion may be invested without Yield restriction.

Section 4.4. Procedures for Establishing Fair Market Value.

(a) *General*. No Investment may be acquired with Gross Proceeds for an amount (including transaction costs) in excess of the fair market value of such Investment, or sold or otherwise disposed of for an amount (including transaction costs) less than the fair market value of the Investment. The fair market value of any Investment is the price a willing buyer would pay to a willing seller to acquire the Investment in a bona fide, arm's-length transaction. Fair market value will be determined in accordance with Regulations § 1.148-5.

(b) *Established Securities Market*. Except for Investments purchased for a Yield-restricted defeasance escrow, if an Investment is purchased or sold in an arm's-length transaction on an established securities market (within the meaning of Code § 1273), the purchase or sale price constitutes the fair market value. Where there is no established securities market for an Investment, market value must be established using one of the paragraphs below. The fair market value of Investments purchased for a Yield-restricted defeasance escrow must be determined in a bona fide solicitation for bids that complies with Regulations § 1.148-5.

(c) *Certificates of Deposit*. The purchase price of a certificate of deposit (a "CD") is treated as its fair market value on the purchase date if (1) the CD has a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal, (2) the Yield on the CD is not less than the Yield on reasonably comparable direct obligations of the United States and (3) the Yield is not less than the highest Yield published or posted by the CD issuer to be currently available on reasonably comparable CDs offered to the public.

(d) *Guaranteed Investment Contracts*. The purchase price of a Guaranteed Investment Contract is treated as its fair market value on the purchase date if all of the following requirements are met:

(1) <u>Bona Fide Solicitation for Bids</u>. The City or the Trustee makes a bona fide solicitation for the Guaranteed Investment Contract, using the following procedures:

(A) The bid specifications are in writing and are timely forwarded to potential providers, or are made available on an internet website or other similar electronic media that is regularly used to post bind specifications to potential bidders. A writing includes a hard copy, a fax, or an electronic e-mail copy.

(B) The bid specifications include all "material" terms of the bid. A term is material if it may directly or indirectly affect the Yield or the cost of the Guaranteed Investment Contract.

(C) The bid specifications include a statement notifying potential providers that submission of a bid is a representation (i) that the potential provider did not consult with any other potential provider about its bid, (ii) that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the City, the Trustee, or any other person (whether or not in connection with the bond issue) and (iii) that the bid is not being submitted solely as a courtesy to the City, the Trustee, or any other person, for purposes of satisfying the requirements of the Regulations.

(D) The terms of the bid specifications are "commercially reasonable." A term is commercially reasonable if there is a legitimate business purpose for the term other than to increase the purchase price or reduce the yield of the Guaranteed Investment Contract.

(E) The terms of the solicitation take into account the City's reasonably expected deposit and draw-down schedule for the amounts to be invested.

(F) All potential providers have an equal opportunity to bid. If the bidding process affords any opportunity for a potential provider to review other bids before providing a bid, then providers have an equal opportunity to bid only if all potential providers have an equal opportunity to review other bids. Thus, no potential provider may be given an opportunity to review other bids that is not equally given to all potential providers (there is no exclusive "last look").

(G) At least three "reasonably competitive providers" are solicited for bids. A reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of Investments being purchased.

(2) <u>Bids Received</u>. The bids received must meet all of the following requirements:

(A) At least three bids are received from providers that were solicited as described above and that do not have a "material financial interest" in the issue. For this purpose, (i) a lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until 15 days after the Issue Date of the issue,

(ii) any entity acting as a financial advisor with respect to the purchase of the Guaranteed Investment Contract at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue and (iii) a provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.

(B) At least one of the three bids received is from a reasonably competitive provider, as defined above.

(C) If an agent or broker is used to conduct the bidding process, the agent or broker did not bid to provide the Guaranteed Investment Contract.

(3) Winning Bid. The winning bid is the highest yielding bona fide bid (determined net of any broker's fees).

(4) Fees Paid. The obligor on the Guaranteed Investment Contract certifies the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the Guaranteed Investment Contract.

(5) Records. The City and the Trustee retain the following records with the Certificate documents until three years after the last outstanding Certificate is redeemed:

(A) A copy of the Guaranteed Investment Contract.

(B) The receipt or other record of the amount actually paid for the Guaranteed Investment Contract, including a record of any administrative costs paid by the City or the Trustee, and the certification as to fees paid, described in paragraph (d)(4) above.

(C) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results.

(D) The bid solicitation form and, if the terms of Guaranteed Investment Contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

(e) *Other Investments*. If an Investment is not described above, the fair market value may be established through a competitive bidding process, as follows:

(1) at least three bids on the Investment must be received from persons with no financial interest in the Certificates (*e.g.,* as underwriters or brokers); and

(2) the Yield on the Investment must be equal to or greater than the Yield offered under the highest bid.

Section 4.5. Certain Gross Proceeds Exempt from the Rebate Requirement.

(a) *General.* A portion of the Gross Proceeds of the Certificates may be exempt from rebate pursuant to one or more of the following exceptions. The exceptions typically will not apply with respect to all Gross Proceeds of the Certificates and will not otherwise affect the application of the Investment limitations described in **Section 4.3** hereof. Unless specifically noted, the obligation to compute, and if necessary, to pay rebate as set forth in **Section 4.6** hereof applies even if a portion of the Gross Proceeds of the Certificates is exempt from the rebate requirement. To the extent all or a portion of the Certificates is exempt from rebate, the Rebate Analyst may account for such fact in connection with its preparation of a rebate report described in **Section 4.6** hereof.

(b) *Applicable Spending Exceptions*.

(1) The City expects that at least 75% of the Available Construction Proceeds will be used for construction or rehabilitation expenditures for property owned by the City.

(2) The following optional rebate spending exceptions can apply to the New Money Portion and the Refunding Portion:

New Money Portion:

- 6-month spending exception (Code § 148(f)(4)(B) and Regulations § 1.148-7(c)).
- 18-month spending exception (Regulations § 1.148-7(d)).
- 2-year spending exception (Code § 148(f)(4)(C) and Regulations § 1.148-7(e)).

Refunding Portion:

- 6-month spending exception (Code § 148(f)(4)(B) and Regulations § 1.148-7(c)).

(c) *Special Elections Made with Respect to Spending Exception Elections.* No special elections are being made in connection with the application of the spending exceptions.

(d) *Bona Fide Debt Service Fund.* To the extent that the Certificate Fund qualifies as a Bona Fide Debt Service Fund, Investment earnings in the fund cannot be taken into account in computing arbitrage rebate and yield reduction amounts (1) with respect to such portion that meets the 6-month, 18-month or 2-year spending exception, or (2) for a given Certificate Year, if the gross earnings on the Certificate Fund for such Certificate Year are less than $100,000. If the average annual debt service on the Certificates does not exceed $2,500,000, the $100,000 earnings test may be treated as satisfied in every Certificate Year.

(e) *Documenting Application of Spending Exception.* At any time prior to the first Computation Date, the City may engage the Rebate Analyst to determine whether one or more spending exceptions has been satisfied, and the extent to which the City must continue to comply with **Section 4.6** hereof.

(f) *General Requirements for Spending Exception.* The following general requirements apply in determining whether a spending exception is met.

(1) Using Adjusted Gross Proceeds or Available Construction Proceeds to pay principal of any Certificates is not taken into account as an expenditure for purposes of meeting any of the spending tests.

(2) The 6-month spending exception generally is met if all Adjusted Gross Proceeds of the New Money Portion or the Refunding Portion, as applicable, are spent within 6 months following the Issue Date. The test may still be satisfied even if up to 5% of the sale proceeds

remain at the end of the initial 6-month period, so long as this amount is spent within 1 year of the Issue Date.

(3) The 18-month spending exception generally is met if all Adjusted Gross Proceeds of the New Money Portion are spent in accordance with the following schedule:

Time Period After the Issue Date	Minimum Percentage of Adjusted Gross Proceeds Spent
6 months	15%
12 months	60%
18 months (Final)	100%

(4) The 2-year spending exception generally is met if all Available Construction Proceeds are spent in accordance with the following schedule:

Time Period After the Issue Date	Minimum Percentage of Available Construction Proceeds Spent
6 months	10%
12 months	45%
18 months	75%
24 months (Final)	100%

(5) For purposes of applying the 18-month and 2-year spending exceptions only, the failure to satisfy the **final** spending requirement is disregarded if the City uses due diligence to complete the Financed Facility and the failure does not exceed the lesser of 3% of the aggregate issue price the New Money Portion or $250,000. **No such exception applies for any other spending period.**

(6) For purposes of applying the 18-month and 2-year spending exceptions only, the Certificates meet the applicable spending test even if, at the end of the **final** spending period, proceeds not exceeding a Reasonable Retainage remain unspent, so long as such Reasonable Retainage is spent within 30 months after the Issue Date in the case of the 18-month exception or 3 years after the Issue Date in the case of the 2-year spending exception.

(7) Spending exceptions may be applied separately to the New Money Portion and the Refunding Portion of the Certificates.

Section 4.6. Computation and Payment of Arbitrage Rebate and Yield Reduction Amounts.

(a) *Computation of Rebate Amount*. The Trustee will provide the Rebate Analyst Investment reports relating to each fund held by the Trustee at such times as reports are provided to the City, and not later than ten days following each Computation Date. The City will provide the Rebate Analyst with copies of Investment reports for any funds containing Gross Proceeds that are held by a party other than the Trustee annually as of the end of each Certificate Year and not later than ten days following each

Computation Date. Each Investment report provided to the Rebate Analyst will contain a record of each Investment, including (1) purchase date, (2) purchase price, (3) information establishing the fair market value on the date such Investment was allocated to the Certificates, (4) any accrued interest paid, (5) face amount, (6) coupon rate, (7) frequency of interest payments, (8) disposition price, (9) any accrued interest received, and (10) disposition date. Such records may be supplied in electronic form. The Rebate Analyst will compute rebate and Yield reduction amounts (the "Rebate Amount") following each Computation Date and deliver a written report to the Trustee and the City together with an opinion or certificate of the Rebate Analyst stating that the Rebate Amount was determined in accordance with the Regulations. Each report and opinion will be provided not later than 45 days following the Computation Date to which it relates. In performing its duties, the Rebate Analyst may rely, in its discretion, on the correctness of financial analysis reports prepared by other professionals.

(c) *Rebate Payments*. Within 60 days after each Computation Date, the Trustee must pay (but solely from money provided by the City) to the United States the Rebate Amount then due, determined in accordance with the Regulations. Each payment must be (1) accompanied by IRS Form 8038-T and such other forms, documents or certificates as may be required by the Regulations, and (2) mailed or delivered to the IRS at the address shown below, or to such other location as the IRS may direct:

Internal Revenue Service Center
Ogden, UT 84201

Section 4.7. Successor Rebate Analyst. If the firm acting as the Rebate Analyst resigns or becomes incapable of acting for any reason, or if the City desires that a different firm act as the Rebate Analyst, then the City by an instrument or concurrent instruments in writing delivered to the firm then serving as the Rebate Analyst and any other party to this Tax Agreement, will engage a successor Rebate Analyst. In each case the successor Rebate Analyst must be a firm of nationally recognized bond counsel or a firm of independent certified public accountants and such firm must expressly agree to undertake the responsibilities assigned to the Rebate Analyst hereunder. In the event the firm acting as the Rebate Analyst resigns or becomes incapable of acting for any reason, and the City fails to appoint a qualified successor Rebate Analyst within thirty (30) days following notice of such resignation, then the Trustee will appoint a firm to act as the successor Rebate Analyst.

Section 4.8. Filing Requirements. The Trustee (to the extent the Trustee has documentation in its possession or is required to have such information in its books and records) and the City will file or cause to be filed with the IRS such reports or other documents as are required by the Code in accordance with advice or an Opinion of Special Counsel.

Section 4.9. Survival after Defeasance. Notwithstanding anything in the Indenture to the contrary, the obligation to pay arbitrage rebate and yield reduction amounts to the United States will survive the payment or defeasance of the Certificates.

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 5.1. Term of Tax Agreement. This Tax Agreement will be effective concurrently with the execution of the Lease and delivery of the Certificates and will continue in force and effect until all of the Rental Payments represented by the Certificates have been fully paid and all such Certificates are cancelled; provided that, the provisions of **Article IV** hereof regarding payment of arbitrage rebate and all related penalties and interest will remain in effect until all such amounts are paid to the United States and the provisions of **Section 4.2** hereof relating to record keeping shall continue in force for the period described therein for records to be retained.

Section 5.2. Amendments. This Tax Agreement may be amended from time to time by the parties to this Tax Agreement without notice to or the consent of any of the Certificate holders, but only if such amendment is in writing and is accompanied by advice or an Opinion of Special Counsel to the effect that, under then existing law, assuming compliance with this Tax Agreement as so amended such amendment will not cause the Interest Component of the Rental Payments to be included in gross income for federal income tax purposes. No such amendment will become effective until the City and the Trustee receive advice or an Opinion of Special Counsel as outlined herein.

Section 5.3. Opinion of Special Counsel. The City and the Trustee may deviate from the provisions of this Tax Agreement if furnished with advice or an Opinion of Special Counsel addressed to each of them to the effect that the proposed deviation will not adversely affect the exclusion of the Interest Component of the Rental Payments represented by the Certificates from gross income for federal income tax purposes. The City and the Trustee will comply with any further or different instructions provided in advice or an Opinion of Special Counsel to the effect that the further or different instructions need to be complied with in order to maintain the validity of the Certificates or the exclusion from gross income of the Interest Component of the Rental Payments.

Section 5.4. Reliance. In delivering this Tax Agreement, the City and the Trustee are making only those certifications, representations and agreements as are specifically attributed to them in this Tax Agreement. Neither the City nor the Trustee is aware of any facts or circumstances which would cause it to question the accuracy of the facts, circumstances, estimates or expectations of any other party providing certifications as part of this Tax Agreement and, to the best of their knowledge, those facts, circumstances, estimates and expectations are reasonable. The parties to this Tax Agreement understand that their certifications will be relied upon by the law firm of Gilmore & Bell, P.C., in rendering its opinion as to the validity of the Certificates and the exclusion from federal gross income of the Interest Component of the Rental Payments.

Section 5.5. Severability. If any provision in this Tax Agreement or in the Certificates is determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not be affected or impaired.

Section 5.6. Benefit of Agreement. This Tax Agreement is binding upon the City and the Trustee and their respective successors and assigns, and inures to the benefit of the parties to this Tax Agreement and the owners of the Certificates. Nothing in this Tax Agreement or in the Indenture or the Certificates, express or implied, gives to any person, other than the parties to this Tax Agreement, and their successors and assigns, and the owners of the Certificates, any benefit or any legal or equitable right, remedy or claim under this Tax Agreement.

Section 5.7. Default; Breach and Enforcement. Any misrepresentation of a party contained herein or any breach of a covenant or agreement contained in this Tax Agreement is an Event of Default under the Lease. Remedies for an Event of Default may be pursued by the Owners of the Certificates or the Trustee pursuant to the terms of the Lease and the Indenture or any other document which references this Tax Agreement and gives remedies for a misrepresentation or breach thereof.

Section 5.8. Execution in Counterparts. This Tax Agreement may be executed in any number of counterparts, each of which so executed will be deemed to be an original, but all such counterparts will together constitute the same instrument.

Section 5.9. Governing Law. This Tax Agreement will be governed by and construed in accordance with the laws of the State of Missouri.

Section 5.10. Electronic Transactions. The parties agree that the transaction described in this Tax Agreement may be conducted, and related documents may be sent, received or stored, by electronic means.

[Remainder of Page Intentionally Left Blank.]

The parties to this Tax Agreement have caused this Tax Compliance Agreement to be duly executed by their duly authorized officers as of the Issue Date.

CITY OF HARRISONVILLE, MISSOURI

By: ______________________________
Name: Judy Bowman
Title: Mayor

UMB BANK N.A., as Trustee

By: ____
Name:
Title:

EXHIBIT A

DEBT SERVICE SCHEDULE AND PROOF OF YIELD

EXHIBIT B

IRS FORM 8038-G

EXHIBIT C

FINAL WRITTEN ALLOCATION OF ORIGINAL OBLIGATIONS, DESCRIPTION OF PROPERTY COMPRISING THE FINANCED FACILITY [**AND LIST OF REIMBURSEMENT EXPENDITURES**]

[See attached spreadsheet]

EXHIBIT D

SAMPLE ANNUAL COMPLIANCE CHECKLIST

Name of tax-exempt obligation ("Certificates") financing Financed Facility[*]:	**$[**Principal Amount**] City of Harrisonville, Missouri Refunding and Improvement Certificates of Participation, Series 2020**
Issue Date of Certificates:	**December __, 2020**
Placed in service date of Financed Facility:	
Name of Bond Compliance Officer:	
Period covered by request ("Annual Period"):	

Item	Question	Response
1 Ownership	For federal income tax purposes, was the entire Financed Facility owned by the City during the entire Annual Period? If "Yes," skip to Item 2.	☐ Yes ☐ No
	If answer above was "No," was advice of Special Counsel obtained prior to the transfer? If "Yes," include a description of the advice in the Tax-Exempt Bond File. If "No," contact Special Counsel and include description of resolution in the Tax-Exempt Bond File.	☐ Yes ☐ No

2 Leases & Other Rights to Possession	During the Annual Period, was any part of the Financed Facility leased (other than the Base Lease and the Lease) at any time pursuant to a lease or similar agreement that provided the lessee or licensee use of the Financed Facility on more than 50 separate occasions (including any agreement with the federal government or an agency of the federal government)? If "No," skip to Item 3.	☐ Yes ☐ No
	If answer above was "Yes," was advice of Special Counsel obtained prior to entering into the lease or other arrangement? If "Yes," include a description of the advice in the Tax-Exempt Bond File. If "No," contact Special Counsel and include description of resolution in the Tax-Exempt Bond File.	☐ Yes ☐ No

[*] Capitalized words and terms used herein, unless otherwise defined herein or the context requires otherwise, shall have the same meanings ascribed to them in the City's Tax-Exempt Financing Compliance Procedures adopted on May 1, 2012, as amended and supplemented.

Item	Question	Response
3 Management or Service Agreements	Has the management of all or any part of the operations of the Financed Facility been assumed by or transferred to another entity? If "No," skip to Item 4.	☐ Yes ☐ No
	If answer above was "Yes," was advice of Special Counsel obtained prior to entering into the Management or Service Agreement? If "Yes," include a description of the advice in the Tax-Exempt Bond File. If "No," contact Special Counsel and include description of resolution in the Tax-Exempt Bond File.	☐ Yes ☐ No

Item	Question	Response
4 Other Use	Was any other agreement entered into with an individual or entity that grants special legal rights or privileges to such individual or entity that are not otherwise available to the general public to the Financed Facility? If "No," skip to Item 5.	☐ Yes ☐ No
	If answer above was "Yes," was advice of Special Counsel obtained prior to entering into the agreement? If "Yes," include a description of the advice in the Tax-Exempt Bond File. If "No," contact Special Counsel and include description of resolution in the Tax-Exempt Bond File.	☐ Yes ☐ No

Item	Question	Response
5 Arbitrage & Rebate	Have all rebate and yield reduction calculations mandated in the Tax Compliance Agreement been prepared for the current year?	☐ Yes ☐ No
	If No, contact Rebate Analyst and incorporate report or include description of resolution in the Tax-Exempt Bond File.	

Bond Compliance Officer: ______________________________

Date Completed: ______________________________

EXHIBIT E

SAMPLE FINAL WRITTEN ALLOCATION

$[Principal Amount**]**
CITY OF HARRISONVILLE, MISSOURI
REFUNDING AND IMPROVEMENT CERTIFICATES OF PARTICIPATION
SERIES 2020

Final Written Allocation

The undersigned is the Bond Compliance Officer of the City of Harrisonville, Missouri (the "City") and in that capacity is authorized to execute federal income tax returns required to be filed by the City and to make appropriate elections and designations regarding federal income tax matters on behalf of the City. This allocation of the proceeds of the obligation referenced above (the "Certificates") is necessary for the City to satisfy ongoing reporting and compliance requirements under federal income tax laws.

Purpose. This document, together with the schedules and records referred to below, is intended to memorialize allocations of Certificate proceeds to expenditures for purposes of §§ 141 and 148 of the Internal Revenue Code (the "Code"). All allocations are or were previously made no later than 18 months following the date the expenditure was made by the City or, if later, the date the "project" was "placed in service" (both as defined below), and no later than 60 days following the 5th anniversary of the issue date of the Certificates.

Background. The Certificates were delivered on December __, 2020 (the "Issue Date"), by UMB Bank N.A. as trustee (the "Trustee"), pursuant to a Trust Indenture dated as of December 1, 2020, as amended and supplemented. The Certificates were issued in order to provide funds needed to pay the costs of storm water and spillway improvements projects, improvements to the City's ultraviolet treatment system and South & Main treatment plants, and construction of a retention basin. Proceeds of the Certificates were deposited to the following accounts:

- Project Fund

Sources Used to Fund Project Costs and Allocation of Proceeds to Project Costs. A portion of the costs of the Project was paid from sale proceeds of the Certificates and the remaining portion of the costs of the Project was paid from earnings from the investment of Certificate sale proceeds [and from other money of the City] as shown on **Schedule 1** to this Final Written Allocation.

Identification of Financed Assets. The portions of the Project financed from Certificate proceeds (i.e., the "Financed Facility" referenced in the Federal Tax Certificate) are listed on page 1 of **Schedule 2** to this Final Written Allocation.

Identification and Timing of Expenditures for Arbitrage Purposes. For purposes of complying with the arbitrage rules, the City allocates the proceeds of the Certificates to the various expenditures described in the invoices, requisitions or other substantiation attached as **Schedule 2** to this Final Written Allocation. In each case, the cost requisitioned was either paid directly to a third party or reimbursed the City for an amount it had previously paid or incurred. Amounts received from the sale of the Certificates and retained as underwriters discount are allocated to that purpose and spent on the Issue Date. Amounts allocated to interest expense are treated as paid on the interest payment dates for the Certificates.

Placed In Service. The Project was "placed in service" on the date set out on **Schedule 2** to this Final Written Allocation. For this purpose, the assets are considered to be "placed in service" as of the date on which, based on all the facts and circumstances: (a) the constructing and equipping of the asset has reached a degree of completion which would permit its operation at substantially its design level; and (b) the asset is, in fact, in operation at that level.

This allocation has been prepared based on statutes and regulations existing as of this date. The City reserves the right to amend this allocation to the extent permitted by future Treasury Regulations or similar authorities.

CITY OF HARRISONVILLE, MISSOURI

____

By: ____________________

Title: ____________________

Dated: ____________________

Name of Legal Counsel/Law Firm Reviewing Final Written Allocation:

____

Date of Review: ____

SCHEDULE 1
TO FINAL WRITTEN ALLOCATION

ALLOCATION OF SOURCES AND USES

[Insert Spreadsheet]

SCHEDULE 2
TO FINAL WRITTEN ALLOCATION

IDENTIFICATION OF FINANCED ASSETS
&
DETAILED LISTING OF EXPENDITURES

[Insert Spreadsheet]

EXHIBIT F

TAX-EXEMPT FINANCING COMPLIANCE PROCEDURES

CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT**, dated as of December 1, 2020 (the "Continuing Disclosure Agreement") is executed and delivered by the **CITY OF HARRISONVILLE, MISSOURI** (the "City") and **UMB BANK N.A.**, as dissemination agent (the "Dissemination Agent").

RECITALS

1. This Continuing Disclosure Agreement is being executed and delivered in connection with the delivery by the City of $[Principal Amount] principal amount of its City of Harrisonville, Missouri Refunding and Improvement Certificates of Participation, Series 2020 (the "Certificates").

2. The City and the Dissemination Agent are entering into this Continuing Disclosure Agreement for the benefit of the Beneficial Owners of the Certificates and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). The City is the only "obligated person" with responsibility for continuing disclosure hereunder.

In consideration of the mutual covenants and agreements herein, the City and the Dissemination Agent covenant and agree as follows:

Section 1. Definitions. In addition to the definitions set forth in the Indenture of Trust dated as of December 1, 2020 (the "Indenture") between the City and UMB Bank N.A., as trustee (the "Trustee"), which apply to any capitalized terms used in this Continuing Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any Annual Report filed by the City pursuant to, and as described in, **Section 2** of this Continuing Disclosure Agreement.

"Beneficial Owner" means any registered owner of any Certificates and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Certificates (including persons holding Certificates through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Certificates for federal income tax purposes.

"Business Day" means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the payment office of the Trustee or the Dissemination Agent is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

"Dissemination Agent" means any Dissemination Agent designated in writing by the City to assist the City in complying with the Rule.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

"Financial Obligation" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; provided however, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12.

"Fiscal Year" means the 12-month period beginning on January 1 and ending on December 31 or any other 12-month period selected by the City as the Fiscal Year of the City for financial reporting purposes.

"Material Events" means any of the events listed in **Section 3(a)** of this Continuing Disclosure Agreement.

"**MSRB"** means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

"Participating Underwriter" means any of the original underwriters of the Certificates required to comply with the Rule in connection with the offering of the Certificates.

"Rule" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 2. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than **the last day of the sixth month** after the end of the City's Fiscal Year, commencing with the Fiscal Year ending December 31, 2020, file with the MSRB, through EMMA, the following financial information and operating data (the **"Annual Report"**):

(1) The audited financial statements of the City for the prior Fiscal Year. If audited financial statements of the City are not available by the time the Annual Report is required to be filed pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Certificates, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.

(2) Updates as of the end of the Fiscal Year of certain financial information and operating data contained in the final Official Statement, as described in **Exhibit A**, in substantially the same format contained in the final Official Statement.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the City is an "obligated person" (as defined by the Rule), which have been filed with the MSRB and are available through EMMA or to the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The City shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the City's Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3**.

(b) Not later than **15** Business Days prior to the date specified in subsection **(a)** for providing the Annual Report to the MSRB, the City shall either (1) provide the Annual Report to a Dissemination Agent with written instructions to file the Annual Report as specified in subsection **(a),** or (2) provide written notice to the Dissemination Agent that the City has filed the Annual Report with the MSRB (or will do so prior to the deadline specified in subsection **(a)**).

(c) If the Dissemination Agent has not received either an Annual Report with filing instructions or a written notice from the City that it has filed an Annual Report with the MSRB by the date required in subsection **(a)**, the Dissemination Agent shall send a notice to the MSRB in substantially the form attached as **Exhibit B**.

(d) The Dissemination Agent shall, unless the City has filed the Annual Report with the MSRB promptly following receipt of the Annual Report and instructions required in subsection **(c)** above, file the Annual Report with the MSRB and file a report with the City and (if the Dissemination Agent is not the Trustee) the Trustee certifying that the Annual Report has been filed pursuant to this Continuing Disclosure Agreement and stating the date it was filed with the MSRB.

Section 3. Reporting of Material Events.

(a) No later than 10 business days after the occurrence of any of the following events, the City shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Certificates (**"Material Events"**):

(1) principal and interest payment delinquencies;
(2) non-payment related defaults, if material;
(3) unscheduled draws on debt service reserves reflecting financial difficulties;
(4) unscheduled draws on credit enhancements reflecting financial difficulties;
(5) substitution of credit or liquidity providers, or their failure to perform;
(6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;
(7) modifications to rights of holders of the Certificates, if material;
(8) Certificate calls, if material, and tender offers;
(9) defeasances;
(10) release, substitution or sale of property securing repayment of the Certificates, if material;
(11) rating changes;
(12) bankruptcy, insolvency, receivership or similar event of the City;
(13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
(14) appointment of a successor or additional trustee or the change of name of the trustee, if material;
(15) incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and;

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

Notice of Material Events described in subsections **(a)(8)** and **(9)** need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the registered owners of affected Certificates pursuant to the Indenture.

(b) The Dissemination Agent shall, promptly after obtaining actual knowledge of the occurrence of any event that it believes may constitute a Material Event, contact the City Administrator or his or her designee or such other person as the City shall designate in writing to the Dissemination Agent from time to time, inform such person of the event, and request that the City promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (d). If in response to a request under this subsection (b), the City determines that such event would not constitute a Material Event, the City shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent whether or not to report the occurrence pursuant to subsection (d).

(c) Whenever the City obtains knowledge of the occurrence of a Material Event, because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the City shall promptly notify and instruct the Dissemination Agent in writing to report the occurrence pursuant to subsection (d).

(d) If the Dissemination Agent receives written instructions from the City to report the occurrence of a Material Event, the Dissemination Agent shall promptly file a notice of such occurrence with the MSRB, with a copy to the City.

Section 4. Termination of Reporting Obligation. The City's obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Certificates. If the City's obligations under this Continuing Disclosure Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Continuing Disclosure Agreement in the same manner as if it were the City, and the City shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Certificates, the City shall give notice of such termination or substitution in the same manner as for a Material Event under **Section 3**.

Section 5. Dissemination Agents. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the City pursuant to this Continuing Disclosure Agreement. The initial Dissemination Agent is UMB Bank N.A..

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the City and the Dissemination Agent may amend this Continuing Disclosure Agreement and any provision of this Continuing Disclosure Agreement may be waived, provided that Special Counsel or other counsel experienced in federal securities law matters provides the City and the Dissemination Agent with its written opinion that the undertaking of the City contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Agreement.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Agreement, the City shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, **(1)** notice of such change shall be given in the same manner as for a Material Event under **Section 3**, and **(2)** the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Continuing Disclosure Agreement. If the City chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Continuing Disclosure Agreement, the City shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default. In the event of a failure of the City or the Dissemination Agent to comply with any provision of this Continuing Disclosure Agreement, the Trustee, the Participating Underwriter or any Owner or Beneficial Owner of the Certificates may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City and the Dissemination Agent to comply with their obligations under this Continuing Disclosure Agreement. A default under this Continuing Disclosure Agreement shall not be deemed an event of default under the Indenture or the Lease (as defined in the Indenture), and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the City or the Dissemination Agent to comply with this Continuing Disclosure Agreement shall be an action to compel performance.

Section 9. Duties and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Continuing Disclosure Agreement, and the City agrees, to the extent permitted by law, to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Certificates. The City shall pay the fees, charges and expenses of the Dissemination Agent in connection with its administration of this Continuing Disclosure Agreement.

Section 10. Notices. Any notices or communications to or among any of the parties to this Continuing Disclosure Agreement may be given by registered or certified mail, return receipt requested, or by confirmed facsimile, or delivered in person or by overnight courier, and will be deemed given on the second day following the date on which the notice or communication is so mailed, as follows:

(a) To the Dissemination Agent:

UMB Bank N.A.
928 Grand Blvd., 12th Floor
Kansas City, Missouri 64106
Attn: Corporate Trust Department

(b) To the City:

City of Harrisonville, Missouri
300 E Pearl Street
Harrisonville, MO 64701
Attn: City Administrator

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 11. Beneficiaries. This Continuing Disclosure Agreement shall inure solely to the benefit of the City, the Dissemination Agent, the Trustee, the Participating Underwriter and the Owners and Beneficial Owners from time to time of the Certificates, and shall create no rights in any other person or entity.

Section 12. Severability. If any provision in this Continuing Disclosure Agreement, the Indenture, the Lease or the Certificates shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 13. Counterparts. This Continuing Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14. Electronic Transactions. The arrangement described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 15. Governing Law. This Continuing Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the City and the Dissemination Agent have caused this Continuing Disclosure Agreement to be executed as of the day and year first above written.

CITY OF HARRISONVILLE, MISSOURI

By: ___________________________________
Mayor

UMB Bank N.A.,
as Dissemination Agent

By: ______________________________________
Title: Authorized Officer

EXHIBIT A

FINANCIAL INFORMATION AND OPERATING DATA TO BE INCLUDED IN ANNUAL REPORT

The financial information and operating data contained in the following described sections and tables contained in the final Official Statement:

DEBT STRUCTURE OF THE CITY
- General Obligation Bonds
- Revenue Bonds
- Certificates of Participation (excluding debt service schedule)
- Other Obligations of the City

FINANCIAL INFORMATION CONCERNING THE CITY
- Sources of Revenue
- Historical Assessed Valuation
- Tax Rates (table only)

EXHIBIT B

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	City of Harrisonville, Missouri
Name of Issue:	$[Principal Amount] City of Harrisonville, Missouri Refunding Certificates of Participation, Series 2020
Name of Obligated Person:	City of Harrisonville, Missouri
Date of Issuance:	December ___, 2020

NOTICE IS HEREBY GIVEN that the City of Harrisonville, Missouri has not filed an Annual Report with respect to the above-named Certificates as required by the Continuing Disclosure Agreement dated as of December 1, 2020, between the City of Harrisonville, Missouri and UMB Bank N.A., as Dissemination Agent. [The Obligated Person has informed the Dissemination Agent that the Obligated Person anticipates that the Annual Report will be filed by _____________.]

Dated: __________ ___, _____.

UMB BANK N.A., as Dissemination Agent on behalf of the **CITY OF HARRISONVILLE, MISSOURI**

cc: City of Harrisonville, Missouri

$____________
CITY OF HARRISONVILLE, MISSOURI
REFUNDING AND IMPROVEMENT CERTIFICATES OF PARTICIPATION
SERIES 2020

November __, 2020

CERTIFICATE PURCHASE AGREEMENT

City of Harrisonville, Missouri
300 E. Pearl Street
Harrisonville, Missouri 64701

UMB Bank, N.A., as Trustee
928 Grand Blvd., 12th Floor
Kansas City, Missouri 64106

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated, as agent for and on behalf of the underwriting group identified on **Exhibit A** hereto (the "**Underwriter**"), hereby offers to enter into the following agreement (the **"Certificate Purchase Agreement"**) for the purchase of $____________ aggregate principal amount of the City of Harrisonville, Missouri Refunding and Improvement Certificates of Participation, Series 2020 (the "**Series 2020 Certificates**"), to be executed and delivered pursuant to a Trust Indenture dated as of December 1, 2020 (the **"Trust Indenture"**), by and between UMB Bank, N.A., Kansas City, Missouri, as trustee (the "**Trustee**") and the City of Harrisonville, Missouri (the **"City"**). The Series 2020 Certificates will evidence the undivided, proportionate interest of the Owners thereof in the right to receive rental payments to be paid by the City pursuant to an annually-renewable Lease Agreement dated as of December 1, 2020 (the **"Lease"**), entered into between the Trustee, as Lessor, and the City, as Lessee. The words and terms described herein shall have the meanings ascribed to them in the Trust Indenture or the Lease unless some other meaning is plainly indicated.

The proceeds received from the sale of the Series 2020 Certificates will be used to provide funds, together with other legally available funds of the City, to (1) finance the costs of (a) various stormwater and spillway improvement projects, (b) improvements to the City's UV Treatment and South & Main Treatment plants, (c) lift stations and force mains, and (d) construction of a retention basin; (2) current refund the December 1, 2021 through December 1, 2022 maturities of the City's Refunding Certificates of Participation (City of Harrisonville, Missouri Projects), Series 2012, dated May 1, 2012 (the **"Refunding Certificates"**); and (3) pay the costs related to the issuance of the Series 2020 Certificates and the refunding of the Refunded Certificates.

The Series 2020 Certificates shall mature on the dates, in the years and in the amounts and bear interest at the interest rate or rates and be offered at the initial public offering price or prices, all as set forth in **Schedule I** hereto.

This offer is made subject to your acceptance of this Certificate Purchase Agreement on or before 10:00 p.m. (CDT) on the date hereof. Upon execution and delivery of this Certificate Purchase Agreement by the City and the Trustee, this Certificate Purchase Agreement shall be binding upon each of you and the Underwriter.

The term "Transaction Documents" when used herein shall mean, individually and collectively, the following: the Series 2020 Certificates; the Base Lease; the Lease; the Trust Indenture; this Certificate Purchase Agreement; the Escrow Agreement; the Tax Compliance Agreement; the Preliminary Official Statement (as hereinafter defined); the Official Statement (as hereinafter defined); the Continuing Disclosure Agreement relating to the Series 2020 Certificates; and any and all other documents or instruments which evidence or are a part of the transactions referred to herein or in the Official Statement or contemplated hereby or by the Official Statement; provided, however, that when the term "Transaction Documents" is used in the context of the authorization, execution, delivery, approval or performance of Transaction Documents by a party thereto, the same shall mean only those Transaction Documents that provide for or contemplate the authorization, execution, delivery, approval or performance by such party.

1. **Purchase, Sale and Delivery of the Series 2020 Certificates**. Upon the terms and conditions and upon the basis of the representations, warranties and covenants contained herein and in the other agreements referred to herein, and subject to the terms and conditions herein set forth, at the Closing Time (hereinafter defined) the Underwriter agrees to purchase the Series 2020 Certificates from the Trustee at a purchase price of $_________ (which is equal to the principal amount thereof, less an underwriter's discount of $_________, plus a net original issue premium of $_________).

The City acknowledges and agrees that (a) the purchase and sale of the Series 2020 Certificates pursuant to this Certificate Purchase Agreement is an arm's-length commercial transaction among the City, the Trustee and the Underwriter, (b) in connection with such transaction, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the City, (c) the Underwriter has not assumed (individually or collectively) a fiduciary responsibility in favor of the City with respect to the offering of the Series 2020 Certificates or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the City on other matters) or any other obligation to the City except the obligations expressly set forth in this Certificate Purchase Agreement and (d) the City has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Series 2020 Certificates.

In conjunction with (a) an audit or inquiry by the Internal Revenue Service or the Securities and Exchange Commission (the "**SEC**") relating to the pricing of the Series 2020 Certificates, or (b) the implementation of future regulation or similar guidance from the Internal Revenue Service, the SEC or other federal or state regulatory authority regarding the retention of pricing data for the Series 2020 Certificates, at the request of the City, the Underwriter will provide information explaining the factual basis for the Underwriter's representations in the Issue Price Certificate relating to the pricing of the Series 2020 Certificates, other than information that would identify customers (e.g., name or account number). This agreement by the Underwriter to provide such information will continue to apply after the Closing Date (hereinafter defined) but shall not extend to any customer data or other confidential or proprietary information of the Underwriter.

2. **Public Offering**. The Underwriter intends to make an initial bona fide public offering of all of the Series 2020 Certificates at the prices set forth in **Schedule I**; provided, however, that the Underwriter may subsequently change such offering price or prices. The Underwriter agrees to notify the City of such changes, if such changes occur prior to the Closing Time, but failure to so notify shall not invalidate such changes. The Underwriter may offer and sell the Series 2020 Certificates to certain dealers (including dealers depositing the Series 2020 Certificates into investment trusts) at prices lower than the principal amount thereof. The Underwriter also reserves the right to (a) over-allot or effect transactions which stabilize or maintain the market price of the Series 2020 Certificates at levels above those that might otherwise prevail in the open market, and (b) discontinue such stabilizing, if commenced, at any time without prior notice.

3. **Establishment of Issue Price**.

The Underwriter agrees to assist the City and Gilmore & Bell, P.C., Kansas City, Missouri (the **"Special Counsel"**) in establishing the issue price of the Series 2020 Certificates and shall execute and deliver at the Closing Time an "issue price" or similar certificate (the "**Issue Price Certificate**"), together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Exhibit B**, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the City and Special Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2020 Certificates.

The City will treat the first price or prices at which 10% of each maturity of the Series 2020 Certificates (the "**10% test**") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Certificate Purchase Agreement, the Underwriter shall report to the City and Special Counsel the price or prices at which it has sold to the public each maturity of Series 2020 Certificates. For purposes of this section, if Series 2020 Certificates mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Series 2020 Certificates. If as of the execution of this Certificate Purchase Agreement the 10% Test has not been satisfied as to any maturity of the Series 2020 Certificates, the Underwriter agrees to comply with the Hold The Offering Price Rule defined below.

The Underwriter confirms that the Underwriter has offered the Series 2020 Certificates to the public on or before the date of this Certificate Purchase Agreement at the offering price or prices (the **"initial offering price"**), or at the corresponding yield or yields, set forth in Schedule I attached hereto, except as otherwise set forth therein. Schedule I also sets forth, as of the date of this Certificate Purchase Agreement, the maturities, if any, of the Series 2020 Certificates for which the 10% Test has not been satisfied and for which the City and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the City to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the **"Hold-The-Offering-Price Rule"**). So long as the Hold-The-Offering-Price Rule remains applicable to any maturity of the Series 2020 Certificates, the Underwriter will neither offer nor sell unsold Series 2020 Certificates of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(a) the close of the fifth (5^{th}) business day after the sale date; or

(b) the date on which the Underwriter has sold at least 10% of that maturity of the Series 2020 Certificates to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the City promptly after the close of the fifth (5^{th}) business day after the sale date whether it has sold 10% of that maturity of the Series 2020 Certificates to the public at a price that is no higher than the initial offering price to the public.

The Underwriter confirms that:

(a) any selling group agreement and any third party distribution agreement relating to the initial sale of the Series 2020 Certificates to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third party distribution agreement, as applicable (i)(A) to report the prices at which it sells to the public the unsold Series 2020 Certificates of each maturity allocated to it, whether or not the Closing Time has occurred, until either all Series 2020 Certificates of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% Test has been satisfied as to the Series 2020 Certificates of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter and (B) to comply with the Hold-The-Offering-Price Rule, if applicable, if and for so long as directed by the Underwriter, (ii) to promptly notify the Underwriter of any sales of Series 2020 Certificates that, to its knowledge, are made to an underwriter who is a related party to an underwriter participating in the initial sale of the Series 2020 Certificates to the public (each such term being used as defined below), and (iii) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(b) any selling group agreement relating to the initial sale of the Series 2020 Certificates to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2020 Certificates to the public to require each broker-dealer that is a party to such third-party distribution agreement to (i) report the prices at which it sells to the public the unsold Series 2020 Certificates of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2020 Certificates of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% Test has been satisfied as to the Series 2020 Certificates of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (ii) comply with the Hold-The-Offering-Price Rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

The City acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (a) in the event a selling group has been created in connection with the initial sale of the Series 2020 Certificates to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Series 2020 Certificates, including but not limited to its agreement to comply with the Hold-The-Offering Price Rule, if applicable to the Series 2020 Certificates, as set forth in a selling group agreement and the related pricing wires, and (b) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Series 2020 Certificates to the public, the agreement of each broker-dealer that is a party to such distribution agreement to comply with the requirements for establishing issue price of the Series 2020 Certificates, including but not limited to its agreement to comply with the Hold-The-Offering Price Rule, if applicable to the Series 2020 Certificates, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Series 2020 Certificates, including but not limited to its agreement to comply with the Hold-The-Offering Price Rule, if applicable to the Series 2020 Certificates.

The Underwriter acknowledges that sales of any Series 2020 Certificates to any person that is a related party to an underwriter participating in the initial sale of the Series 2020 Certificates to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of the above:

(a) "***public***" means any person other than an underwriter or a related party,

(b) "***underwriter***'' means (i) any person that agrees pursuant to a written contract with the City to participate in the initial sale of the Series 2020 Certificates to the public and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) to participate in the initial sale of the Series 2020 Certificates to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2020 Certificates to the public),

(c) a purchaser of any of the Series 2020 Certificates is a "***related party***" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(d) "***sale date***" means the date of execution of this Certificate Purchase Agreement by each party.

4. **Preliminary Official Statement and Official Statement**. The City hereby consents to the use by the Underwriter (subject to the right of the City to withdraw such consent for cause by written notice to the Underwriter) of the Preliminary Official Statement, dated November 2, 2020 (which, together with the cover page, and any exhibits, appendices, maps, pictures, diagrams, reports and statements included therein or attached thereto and any amendments and supplements that may be authorized for use with respect to the Series 2020 Certificates, is herein called the "**Preliminary Official Statement**"), in connection with the proposed offering of the Series 2020 Certificates. The City hereby deems the information contained in the Preliminary Official Statement to be "final," as of its date for purposes of Rule 15c2-12 (the "**Rule**") promulgated under the Securities Exchange Act of 1934, as amended, except for the omission of certain information permitted to be omitted by such Rule, such as offering prices, interest rates, selling compensation, aggregate principal amounts, principal per maturity, delivery dates, ratings, identity of the purchasers and other terms of the Series 2020 Certificates depending on such matters.

The City shall deliver to the Underwriter within seven business days after the date hereof, the Official Statement (which, together with the cover page, and any exhibits, appendices, maps, pictures, diagrams, reports and statements included therein or attached thereto and any amendments and supplements that may be authorized for use with respect to the Series 2020 Certificates, is herein called the "**Official Statement**") executed on behalf of the City by duly authorized representatives in electronic format to enable the Underwriter to provide the Official Statement to potential customers and to comply with any rules of the Municipal Securities Rulemaking Board and the Securities and Exchange Commission.

The City agrees to provide to the Underwriter all information necessary to comply with the Rule and to execute certificates to the same effect as the representations set forth in this Section.

If, after the date of this Certificate Purchase Agreement and until the earlier of (a) ninety days after the "end of the underwriting period" (as defined in the Rule) or (b) the time when the Official Statement is available to any person from the Municipal Securities Rulemaking Board, but in no case less than twenty-five days following the end of the underwriting period, an event relating to or affecting the City shall occur as a result of which it is necessary, in the opinion of Special Counsel or counsel to the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement not misleading in light of the circumstances then existing, the City shall forthwith prepare and furnish to the Underwriter in electronic format an amendment of or supplement to the Official Statement (in form and substance satisfactory to counsel to the Underwriter) which shall amend or supplement the Official Statement so that it shall not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements not misleading. The expenses of preparing such amendment or supplement shall be borne by the party who had supplied the information being amended or supplemented. For the purpose of this Section, the City shall furnish to the Underwriter such information with respect to itself as the Underwriter may from time to time reasonably request.

5. **Representations and Warranties**. By its acceptance hereof the City hereby represents and warrants to, and agrees with, the Underwriter and the Trustee as follows:

(a) **Status of the City**. The City is and will be on the Closing Date a fourth-class city and political subdivision, duly organized and validly existing under the Constitution and the laws of the State of Missouri with all the necessary power and authority pursuant to the Constitution and the laws of the State of Missouri to (i) operate, repair and maintain its governmental facilities, (ii) execute and deliver the Transaction Documents and (iii) carry out and consummate the transactions contemplated by the Transaction Documents.

(b) **Official Action**. By official action of the City prior to the Closing Time the City will have duly authorized all necessary action to be taken for (i) the execution and delivery of the Transaction Documents and any and all such other agreements and documents as may be required to be executed, delivered or received by the City in order to carry out, give effect to and consummate the transactions contemplated hereby or by the Official Statement; and (ii) the carrying out, giving effect to and consummation of the transactions contemplated hereby. The City has duly authorized all necessary action to be taken for the execution and delivery of this Certificate Purchase Agreement and has approved the maturity dates, interest rates, principal amounts and prepayment provisions of the Series 2020 Certificates. Executed counterparts of the Transaction Documents will be delivered to the Underwriter by the City at the Closing Time.

(c) **Documents Legal, Valid and Binding**. The Transaction Documents, when executed and delivered by the City, will be the legal, valid and binding obligations of the City enforceable in accordance with their terms, except to the extent that enforcement thereof may be limited by any applicable bankruptcy, reorganization, insolvency, moratorium or other law or laws affecting the enforcement of creditors' rights generally or against entities such as the City and further subject to the availability of equitable remedies.

(d) **Approvals**. All approvals, consents, authorizations, certifications and other orders of any governmental authority, board, agency or commission having jurisdiction, and all filings with any such entities, which would constitute a condition precedent to or would materially adversely affect the performance by the City of its obligations hereunder or under the Transaction Documents or the consummation of the transactions contemplated in such documents or in the Official Statement have been duly obtained, except for such approvals, consents and orders as may be required under the "Blue Sky" or securities laws of any state in connection with the offering and sale of the Series 2020 Certificates. The financing as contemplated by the Preliminary Official Statement and the Official Statement is consistent with and does not violate or conflict with the terms of the various consents, approvals or findings of non-reviewability of any such agencies or entities.

(e) **No Litigation**. Except as described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the City's knowledge, threatened against or affecting the City (or, to the City's knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would have a material adverse effect on the transactions contemplated hereby, the validity or enforceability of the Series 2020 Certificates, this Certificate Purchase Agreement or any agreement or document which is used or contemplated for use in the consummation of the transactions contemplated hereby or the financial condition of the City.

(f) **No Conflict or Breach**. The City is not in breach of or default under (i) any applicable law or administrative regulation of the State of Missouri or the United States or any applicable judgment or decree or (ii) any loan agreement, indenture, bond, note, resolution, ordinance, agreement or other instrument to which the City is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute an event of default under any such instrument; and neither the execution and delivery of any of the Transaction Documents, or the consummation of the transactions contemplated thereby, nor the fulfillment of or compliance with the terms and conditions thereof conflicts with or constitutes a breach of or default under (i) any applicable law, administrative regulation, judgment or decree or (ii) under the terms of any loan agreement, indenture, bond, note, resolution, ordinance, agreement or other instrument to which the City is a party or is otherwise subject; nor shall any such execution, delivery, adoption, fulfillment or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the City (i) under the terms of any such law, administrative regulation, judgment or decree or (ii) under the terms of any such loan agreement, indenture, bond, note, resolution, ordinance, agreement or other instrument, except as provided by the Transaction Documents.

(g) **Preliminary Official Statement and Official Statement True and Correct**. The descriptions and information contained in the Preliminary Official Statement and the Official Statement are, and as of their respective dates and the Closing Date, shall be true and correct in all material respects and do not and, as of the Closing Date, shall not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make any statement made therein, in light of the circumstances under which it was made, not misleading; provided that the City makes no representation with respect to materials that appear under, or matters omitted pertaining to material appearing under, the captions **"THE TRUSTEE," "UNDERWRITING,"** or **"MUNICIPAL ADVISOR,"** any information that describes the Book-Entry-Only System, or such information in the Preliminary Official Statement or the Official Statement setting forth the principal amount, interest rates and prices of the Series 2020 Certificates or respecting the Underwriter.

(h) **City Certificate**. Any certificate signed by an authorized official of the City and delivered to the Underwriter shall be deemed a representation and warranty by the City to the Underwriter as to the statements made therein.

(i) **City Representations**. To the City's knowledge, each of the City's representations and warranties in the Lease are true and correct as of the date hereof and, at the Closing Time, will be true and correct.

(j) **No Default under Transaction Documents.** No event has occurred and is continuing which with the lapse in time or the giving of notice, or both, would constitute an Event of Default under the Transaction Documents.

(k) **Tax Status of the Series 2020 Certificates**. The City represents and warrants that the proceeds of the Series 2020 Certificates shall be used as provided in the Transaction Documents. The City shall not take or omit to take any action which action or omission shall in any way cause or result in the proceeds from the sale of the Series 2020 Certificates being applied in a manner other than as provided in the Transaction Documents and as described in the Preliminary Official Statement and the Official Statement.

(l) **Securities Law Cooperation**. The City agrees to cooperate with the Underwriter and its counsel in any reasonable endeavor to qualify the Series 2020 Certificates for offering and sale under the securities or "Blue Sky" laws of such jurisdictions of the United States as the Underwriter may reasonably request; provided, however, that the City shall not be required to file written consents to suit or to file written consent to service of process in any jurisdiction. The Underwriter shall pay all expenses and costs incurred in connection therewith. The City consents to the use of the Preliminary Official Statement and drafts of the Official Statement prior to the availability of the Official Statement, by the Underwriter in obtaining such qualifications, subject to the right of the City to withdraw such consent for cause by written notice to the Underwriter.

(m) **No Other Borrowing**. Between the date of this Certificate Purchase Agreement and the Closing Date, the City shall not, without the prior written consent of the Underwriter, except as described in or contemplated by the Official Statement and the Preliminary Official Statement, incur any material liabilities, direct or contingent, nor shall there be any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the City.

(n) **Financial Statements**. The financial statements of the City included as Appendix II to the Preliminary Official Statement and the Official Statement and any other later available unaudited financial data of the City furnished to the Underwriter, except as noted therein, present fairly the financial position of the City as of the dates indicated and the results of its operations for the periods specified in all material respects for the periods involved except as stated in the notes thereto, and such financial statements have been prepared in accordance with accounting principles described in the notes to the financial statements included as Appendix II to the Preliminary Official Statement and the Official Statement. The City has not, since December 31, 2019, incurred any material liabilities and since such date there has been no material adverse change in the financial position of the City or the operation by the City of its property other than as may be set forth in the Preliminary Official Statement and the Official Statement.

Since December 31, 2019, except as described in the Preliminary Official Statement and the Official Statement, (i) the City has not sustained any loss or interference with its business from fire, explosion, flood or any labor dispute or court or governmental action, order or decree; and (ii) there has been no material decrease in the City's fund balances, no increase in short-term debt or long-term debt of the City and no adverse change, or any development involving a prospective adverse change, in or affecting the general affairs, management, properties, financial position, or results of operations of the City, which in any such case described in clause (i) or (ii) is material to the City.

(o) **No Untrue Statement in Official Statement**. Unless an event occurs of the nature described in subsection (q) of this section, at all times subsequent to the date of the Official Statement to and including the Closing Date, the information contained in the Official Statement as provided in subsection (g) of this section shall not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(p) **Supplements to Official Statement**. If the Official Statement is supplemented or amended pursuant to subsection (q) of this section, at the time of such supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subsection) at all times subsequent thereto including the Closing Time, the information contained in the Official Statement as provided in subsection (g) of this section as so supplemented or amended shall not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(q) **Subsequent Events**. If between the date of the Official Statement and the Closing Time any event shall occur which might or would cause the information contained in the Official Statement to contain an untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the City shall notify the Underwriter thereof, and if in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the City shall at its expense supplement or amend the Official Statement in a form and in a manner approved by the Underwriter.

(r) **Continuing Disclosure**. The City will agree, pursuant to the Continuing Disclosure Agreement, to provide certain annual financial and operating information as required under the Continuing Disclosure Agreement, and notices of the occurrence of certain events, if material. A description of this agreement is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement. Except as set forth in the Preliminary Official Statement, the City is not in default as to its obligations for continuing disclosure under the Rule.

6. **Trustee's Representations And Warranties**. By its acceptance hereof, the Trustee hereby represents and warrants to, and agrees with, the Underwriter that:

(a) **Status of the Trustee**. The Trustee is a national banking association organized and existing under the laws of the United States of America and is authorized to accept and execute trusts of the character set forth in the Trust Indenture under the laws of the State of Missouri.

(b) **Authorization to Enter into Transaction Documents**. The Trustee has lawful power and authority to enter into the Transaction Documents and to carry out its obligations thereunder. By proper action of its Board of Directors, the Trustee has been duly authorized to execute and deliver the Transaction Documents, acting by and through its duly authorized officers, and when executed, each of such Transaction Documents shall constitute a valid and binding agreement enforceable in accordance with its terms.

(c) **No Conflict or Breach**. The execution and delivery of Transaction Documents and the consummation of the transactions contemplated thereby, and the performance of or compliance with the terms and conditions of the Transaction Documents and other documents relating to the execution and delivery of the Series 2020 Certificates will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any agreement or instrument to which the Trustee is a party or by which it or any of its property is bound, or the Trustee's Articles of Association or Bylaws or any order, rule or regulation applicable to the Trustee or any of its property of any court or governmental body, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Trustee under the terms of any instrument or agreement to which the Trustee is a party.

(d) **No Litigation**. To the knowledge of the Trustee, there is no litigation or proceeding pending or threatened against the Trustee or any other person affecting the right of the Trustee to execute or deliver the Transaction Documents or to comply with its obligations under the Transaction Documents. Neither the execution and delivery of the Transaction Documents by the Trustee, nor compliance by the Trustee with its obligations thereunder require the Trustee to obtain the approval of any regulatory body, any parent company, or any other entity, which approval has not been obtained.

7. **Closing**. Payment for the Series 2020 Certificates shall be made by federal wire transfer in immediately available federal funds payable to the order of the Trustee for the account of the City, at 9:00 a.m. (CDT) on December 15, 2020, or such other date and at such place and time, as shall be mutually agreed upon by the City, the Trustee and the Underwriter. The date of such delivery and payment is herein called the "**Closing Date,**" and the hour and date of such delivery and payment is herein called the "**Closing Time.**" The delivery of the Series 2020 Certificates shall be made in definitive form, bearing CUSIP numbers (provided neither the printing of a wrong number on any Series 2020 Certificate nor the failure to print a number thereon shall constitute cause to refuse delivery of any Series 2020 Certificate) as fully registered Series 2020 Certificates. One registered Series 2020 Certificate for each maturity in the principal amount of such maturity shall be deposited with or held by the Trustee pursuant to the FAST procedures of The Depository Trust Company ("**DTC**") not less than one business day prior to the Closing Date. The Series 2020 Certificates shall be available for delivery to DTC in accordance with DTC's settlement procedures, or delivered to and held by the Trustee for the benefit of DTC, at the Closing Time.

8. **Conditions to Closing**. The Underwriter's obligations hereunder shall be subject to the due performance by the City and the Trustee of their respective obligations and agreements to be performed hereunder and under the Transaction Documents at or prior to the Closing Time and to the accuracy of and compliance with the City's and the Trustee's representations and warranties contained herein and in the Transaction Documents, as of the date hereof and as of the Closing Time, and are also subject to the following conditions:

(a) At the Closing Time,

(i) The Series 2020 Certificates shall have been duly authorized, executed and delivered in the form heretofore approved by the Underwriter with only such changes therein as shall be mutually agreed upon by the City, the Underwriter and the Trustee;

(ii) The proceeds of the sale of the Series 2020 Certificates shall have been deposited and applied as described in the Trust Indenture;

(iii) The City shall have duly adopted and there shall be in full force and effect such resolutions and ordinances as, in the opinion of Special Counsel, shall be necessary in connection with the transactions contemplated hereby; and

(iv) The Transaction Documents shall have been duly authorized, executed and delivered, shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, the City and the Trustee, which approval shall be deemed given by the acceptance of the Lease and the Trust Indenture by the Underwriter at the Closing Time.

(b) At or prior to the Closing Time, unless otherwise agreed to by the Underwriter in writing, the Underwriter shall receive the following documents, certificates and opinions (unless otherwise specified) in form and substance satisfactory to the Underwriter and counsel to the Underwriter:

(i) **Special Counsel Opinions**. The unqualified approving opinion and supplemental opinion of Special Counsel, each dated the Closing Date in the forms set forth in **Exhibit C** hereto;

(ii) **City Certificate**. A duly executed and attested certificate of the City, dated as of the Closing Date, signed by authorized representatives of the City, containing, among other things: (A) confirmation that the representations and warranties of the City contained in this Certificate Purchase Agreement and in the other Transaction Documents are true and correct as of the Closing Date, (B) confirmation that the information contained in the Official Statement is true and correct in all material respects and that it does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make any statement made therein, in light of the circumstances under which it was made, not misleading, and (C) confirmation that the ordinance authorizing the execution and delivery of the Series 2020 Certificates has not been modified, amended or repealed and is in full force and effect on the Closing Date;

(iii) **Underwriter's Counsel Opinion**. The opinion of Thompson Coburn LLP, St. Louis, Missouri, counsel to the Underwriter, dated the Closing Date, in the form set forth in **Exhibit D** hereto;

(iv) **Specimen Certificate**. A specimen of the Series 2020 Certificates;

(v) **Transaction Documents**. Executed copies of the Transaction Documents;

(ii) **Official Statement**. The Official Statement executed and approved on behalf of the City by duly authorized officials thereof and a copy of the Preliminary Official Statement;

(iii) **City Ordinance**. An ordinance of the Board of Aldermen authorizing and approving the execution and delivery of the Transaction Documents and the execution and delivery of the Series 2020 Certificates;

(viii) **Rating**. A letter from S&P Global Ratings, a division of S&P Global Inc. (the **"Rating Agency"**), assigning a rating to the Series 2020 Certificates of "___."

(iv) **Trustee's Receipt**. A receipt of the Trustee for the purchase price of the Series 2020 Certificates on behalf of the City; and

(v) **Other Closing Materials**. Such additional certificates and other documents as the Underwriter or its counsel or Special Counsel may reasonably request to evidence performance or compliance with the provisions hereof and the transactions contemplated hereby and by the Trust Indenture and the Lease, all such certificates and other documents to be satisfactory in form and substance to the Underwriter.

The documents to be delivered to the Underwriter pursuant to this Certificate Purchase Agreement shall be deemed to be in compliance with the conditions of this Certificate Purchase Agreement if, but only if, in the reasonable judgment of the Underwriter and its counsel, they are satisfactory in form and substance. No condition hereof shall be deemed to have been waived by the Underwriter, unless expressed specifically in a writing signed by the Underwriter.

If any party shall be unable to satisfy the above conditions (unless waived by the other parties hereto) to the obligations of such party to this Certificate Purchase Agreement, or if the obligations hereunder of any party shall be terminated for any reason permitted by this Certificate Purchase Agreement, this Certificate Purchase Agreement shall terminate and none of the parties hereto shall be under further obligation hereunder except as provided in **Section 11** hereof.

9. **The Underwriter's Right to Cancel**. The Underwriter shall have the right to cancel its obligation to purchase the Series 2020 Certificates and to terminate this Certificate Purchase Agreement, without liability to the Underwriter, by written notice to the City if, between the date of this Certificate Purchase Agreement and the Closing Time, in the Underwriter's sole and reasonable judgment, any of the following events shall occur (each, a **"Termination Event"**):

(a) The market price or marketability of the Series 2020 Certificates, or the ability of the Underwriter to enforce contracts for the sale of the Series 2020 Certificates, shall be materially adversely affected by any of the following events:

(i) Legislation shall be enacted or for the first time actively considered for enactment by the Congress of the United States or the legislature of the State of Missouri or shall have been favorably reported out of committee of either body or be pending in committee of either body, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision shall have been rendered by a federal court of the United States, a State of Missouri court or the United States Tax Court, or a ruling, resolution, regulation or temporary regulation, release or announcement shall have been made or shall have been proposed to be made by the Treasury Department of the United States, the Internal Revenue Service or other federal or State of Missouri authority with appropriate jurisdiction, with respect to federal or State of Missouri taxation upon interest or other income to be derived by the City pursuant to the Transaction Documents, or upon interest on the Series 2020 Certificates or securities of the general character of the Series 2020 Certificates; or

(ii) There shall have occurred (A) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (B) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis; or

(iii) A general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction; or

(iv) Legislation shall have been enacted by the Congress of the United States or shall have been favorably reported out of committee or be pending in committee, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that any obligations of the general character of the Transaction Documents, or any comparable securities of the City are not exempt from registration, qualification or other requirements of the Securities Act or the Trust Indenture Act of 1939, as amended, or otherwise, or would be in violation of any provisions of the federal securities laws; or

(v) Except as disclosed in or contemplated by the Official Statement, any material adverse change in the affairs of the City shall have occurred; or

(vi) Any rating (A) on any bonds or other obligations of the City or (B) if the Series 2020 Certificates are insured by a bond insurance policy, on the bond insurer, is reduced or withdrawn or placed on credit watch with negative outlook by any major credit rating agency; or

(b) Any fact, event or circumstance shall exist that either makes untrue or incorrect any statement or information contained in the Official Statement as then amended or supplemented (other than any statement provided by the Underwriter) or is not reflected in the Official Statement as then amended or supplemented, but should be reflected therein in order to make the statements and information contained therein, in the light of the circumstances under which they were made, not misleading and, in either such event, the City refuses to permit the Official Statement to be supplemented or corrected in a form and manner approved by the Underwriter or supply such statement or information or if such supplement or correction would, in the opinion of the Underwriter, materially adversely affect the market for the Series 2020 Certificates or the ability of the Underwriter to enforce contracts for the sale of the Series 2020 Certificates at the contemplated offering prices; or

(c) A general banking moratorium shall have been declared by federal, State of Missouri or State of New York authorities and be in force; or

(d) A material disruption in securities settlement, payment or clearance services affecting the Series 2020 Certificates shall have occurred; or

(e) Other action or events shall have occurred or transpired, any of which has the purpose or effect, directly or indirectly, of materially adversely affecting the federal income tax consequences of any of the transactions contemplated in connection herewith, or that securities of the general character of the Series 2020 Certificates shall not be exempt from registration under the Securities Act; or

(f) There shall have occurred since December 31, 2019, any material adverse change in the affairs of the City from that reflected in the financial statements of the City provided to the Underwriter in connection with the Series 2020 Certificates, not otherwise disclosed to the Underwriter or in the Official Statement; or

(g) Any representation of the City contained in any Transaction Document shall prove to be or to have been false in any material respect; or

(h) Litigation or an administrative proceeding or investigation shall be pending or threatened affecting, contesting, questioning or seeking to restrain or enjoin (i) the issuance or delivery of any of the Series 2020 Certificates or the payment, collection or application of the proceeds of the Series 2020 Certificates or of other moneys or securities pledged or to be pledged under the Transaction Documents, (ii) the validity of the Series 2020 Certificates, (iii) the validity of any of the Transaction Documents or any proceedings taken by the City with respect to any of the foregoing, (iv) the City's creation, organization or existence or the titles to office of any members of the Board of Aldermen of the City or officers, or (v) the legal power or authority of the City to enter into and engage in any of the transactions contemplated by the Transaction Documents.

Upon the occurrence of a Termination Event and the termination of this Certificate Purchase Agreement by the Underwriter, all obligations of the City and the Underwriter under this Certificate Purchase Agreement shall terminate, without further liability, except that the City and the Underwriter shall pay their respective expenses as set forth in **Section 11** of this Certificate Purchase Agreement.

The Underwriter acknowledges that no such event exists as of the date hereof that would permit the Underwriter to cancel its obligations pursuant to this Certificate Purchase Agreement.

10. **Representations, Warranties and Agreements to Survive Delivery**. All of the City's and the Trustee's representations, warranties and agreements contained in this Certificate Purchase Agreement shall remain operative and in full force and effect, regardless of: (a) any investigations made by or on behalf of the Underwriter; and (b) delivery of and payment for the Series 2020 Certificates pursuant to this Certificate Purchase Agreement; provided, however, that such representations, warranties and agreements continue to be construed as having been given solely on the date hereof and shall not be deemed to refer to any future date or period except as otherwise expressly provided herein or as otherwise expressly agreed. The agreements in **Section 11** hereof shall survive any termination of this Certificate Purchase Agreement.

11. **Payment of Expenses**. Whether or not the Series 2020 Certificates are sold to the Underwriter (unless such sale be prevented at the Closing Time by the Underwriter's default), the Underwriter shall be under no obligation to pay any expenses incident to the performance of the City's obligations hereunder. If the Series 2020 Certificates are delivered by the Trustee to the Underwriter, all expenses and costs to effect the authorization, preparation, execution and delivery of the Series 2020 Certificates (including, without limitation, the fees and disbursements of Special Counsel, the fees and disbursements of counsel to the City and counsel to the Underwriter, the fees and disbursements of the Underwriter in connection with the offering and sale of the Series 2020 Certificates, the charges of the

Rating Agency in connection with the Series 2020 Certificates and the expenses and costs for the preparation, printing, photocopying, execution and delivery of the Series 2020 Certificates, this Certificate Purchase Agreement and all other agreements and documents contemplated hereby) shall be paid by the Trustee out of the proceeds of the Series 2020 Certificates. If the Series 2020 Certificates are not delivered by the Trustee to the Underwriter (unless such sale be prevented at the Closing Time by the Underwriter's default), all such expenses and costs shall be paid by the City.

If the Series 2020 Certificates are sold to the Underwriter, the City shall pay out of the proceeds of the Series 2020 Certificates the discount of the Underwriter or the purchase price paid for the Series 2020 Certificates shall reflect such discount.

Except as otherwise provided in this Section 11, the Underwriter shall pay: (a) all advertising expenses in connection with the public offering of the Series 2020 Certificates; and (b) all other expenses incurred by it in connection with its public offering and distribution of the Series 2020 Certificates, not described above.

12. **Notices**. Any notice or other communication to be given to the City or the Trustee under this Certificate Purchase Agreement may be given by mailing or delivering the same in writing to such parties at their respective addresses set forth in the Trust Indenture, and any notice or other communications to be given to the Underwriter under this Certificate Purchase Agreement may be given by delivering the same in writing to the Underwriter at the following address: Stifel, Nicolaus & Company, Incorporated, One Financial Plaza, 501 North Broadway, 10th Floor, St. Louis, Missouri 63102, Attention: Public Finance.

13. **Applicable Law; Nonassignability**. This Certificate Purchase Agreement shall be governed by the laws of the State of Missouri. This Certificate Purchase Agreement shall not be assigned by the City or the Underwriter.

14. **Execution of Counterparts**. This Certificate Purchase Agreement may be executed in several counterparts, each of which shall be regarded an original and all of which shall constitute one and the same document.

15. **Third Party Beneficiary**. The City agrees that the Underwriter is and shall be a third party beneficiary of any and all representations and warranties made by the City in the Transaction Documents, to the same effect as if the City had made such representations and warranties to the Underwriter in this Certificate Purchase Agreement. The Underwriter agrees that the City and the Trustee are and shall be third party beneficiaries of any and all representations and warranties made by the Underwriter in the Transaction Documents to the same effect as if the Underwriter had made such representations and warranties to the City and the Trustee in this Certificate Purchase Agreement.

16. **Successors**. This Certificate Purchase Agreement is made for the benefit of the Trustee, the City and the Underwriter (including the successors or assigns of the parties hereto) and no other person including any Underwriter of the Series 2020 Certificates shall acquire or have any rights hereunder or by virtue hereof.

17. **Amendments**. No modification, alteration or amendment to this Certificate Purchase Agreement shall be binding upon any party until such modification, alteration or amendment is reduced to writing and executed by all parties.

18. **Effective Date**. This Certificate Purchase Agreement shall become effective upon acceptance hereof by the City.

19. **Captions**. The captions or headings in this Certificate Purchase Agreement are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions of this Certificate Purchase Agreement.

20. **Electronic Transactions**. The transaction described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents will be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

21. **Anti-Discrimination Against Israel Act**. Pursuant to Section 34.600 of the Revised Statutes of Missouri, as amended, the Underwriter hereby certifies to the City that it is not currently engaged in and shall not, for the duration of this Certificate Purchase Agreement, engage in a boycott of goods or services from the State of Israel, companies doing business in or with Israel or authorized by, licensed by, or organized under the laws of the State of Israel, or persons or entities doing business in the State of Israel.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereby have executed this Certificate Purchase Agreement, all as of the day and year first above mentioned.

Very truly yours,

STIFEL, NICOLAUS & COMPANY, INCORPORATED

By____
Name: Martin J. Ghafoori
Title: Managing Director

ACCEPTED AND AGREED TO AS OF THE DATE FIRST ABOVE WRITTEN:

CITY OF HARRISONVILLE, MISSOURI

By:______________________________________
Name: Judy Bowman
Title: Mayor

UMB BANK, N.A., as Trustee

By:_______________________________________
Name: ________________________
Title: ________________________

SCHEDULE I

MATURITY SCHEDULE

$____________
CITY OF HARRISONVILLE, MISSOURI
REFUNDING AND IMPROVEMENT CERTIFICATES OF PARTICIPATION
SERIES 2020

Evidencing Proportionate Interests of the Owners
Thereof in Rental Payments to be Made by the
CITY OF HARRISONVILLE, MISSOURI

SERIAL CERTIFICATES

Maturity Date (November 1)	Principal Amount	Interest Rate	Price
2021	$	%	%
2022			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			

TERM CERTIFICATES

Maturity Date (November 1)	Principal Amount	Interest Rate	Price
2040	$	%	%
2045			
2050			

9958683.3

EXHIBIT A
TO
CERTIFICATE PURCHASE AGREEMENT

Underwriting Group:

1. Stifel, Nicolaus & Company, Incorporated

EXHIBIT B
TO
CERTIFICATE PURCHASE AGREEMENT

FORM OF UNDERWRITER'S RECEIPT FOR CERTIFICATES AND ISSUE PRICE CERTIFICATE

$____________
CITY OF HARRISONVILLE, MISSOURI
REFUNDING AND IMPROVEMENT CERTIFICATES OF PARTICIPATION
SERIES 2020

[TO BE PROVIDED]

EXHIBIT C
TO
CERTIFICATE PURCHASE AGREEMENT

FORM OF APPROVING OPINION OF SPECIAL COUNSEL

[TO BE PROVIDED]

FORM OF SUPPLEMENTAL OPINION OF SPECIAL COUNSEL

[TO BE PROVIDED]

EXHIBIT D
TO
CERTIFICATE PURCHASE AGREEMENT

FORM OF UNDERWRITER'S COUNSEL OPINION

[TO BE PROVIDED]

Cost Evaluation of a Package Treatment Plant versus a Pumped System to the Main Plant

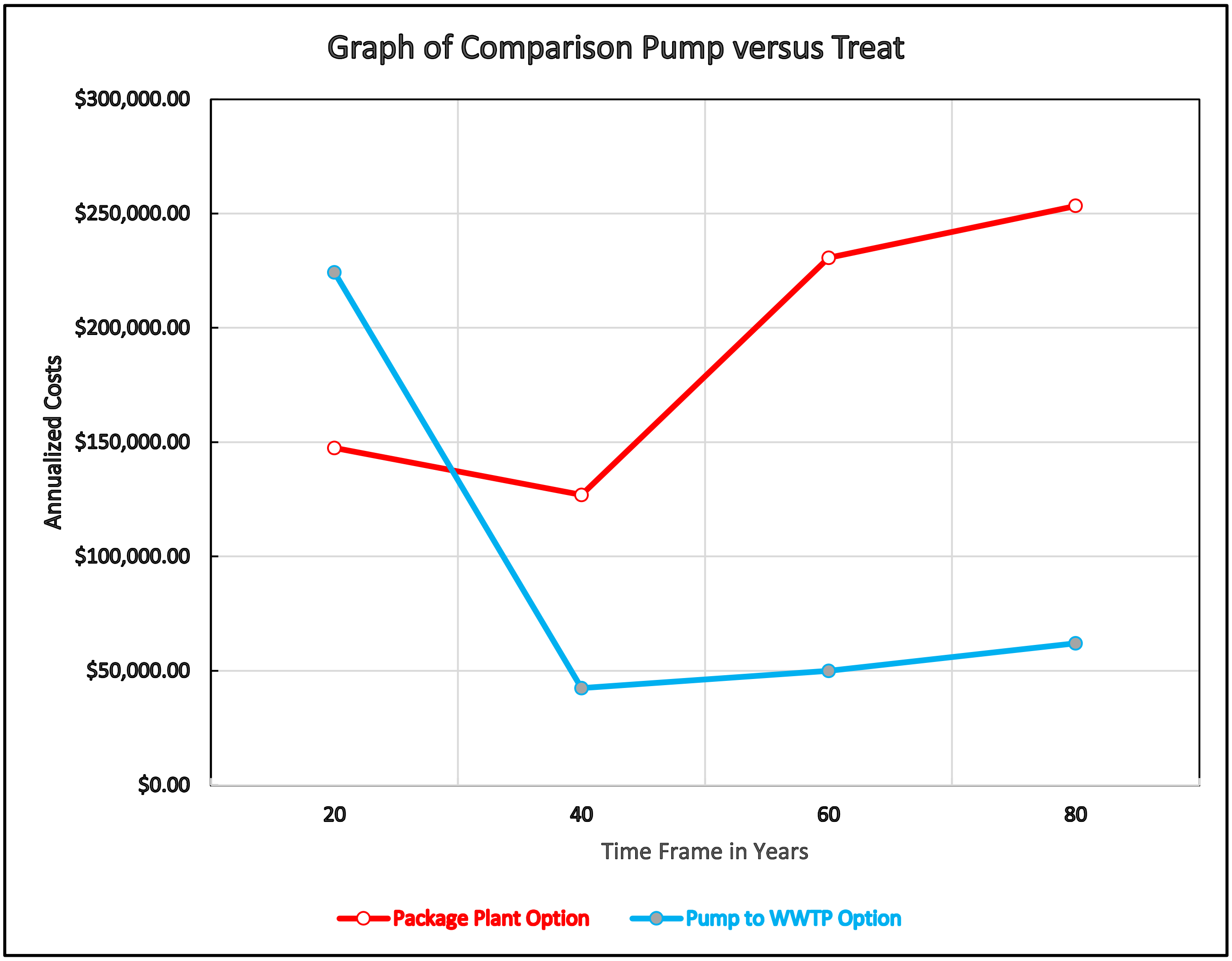
PACKAGE PLANT OPTION

	20	40	60	80
Package Plant Installation	$750,000.00	$1,200,000.00	$1,920,000.00	$3,072,000.00
Package Plant O&M, $46,000/yr	$920,000.00	$920,000.00	$920,000.00	$920,000.00
Disinfection System	$500,000.00	$0.00	$1,100,000.00	$0.00
Engineering	$300,000.00	$180,000.00	$288,000.00	$460,800.00
Construction Contingency	$480,000.00	$240,000.00	$384,000.00	$614,400.00
TOTAL	$2,950,000.00	$2,540,000.00	$4,612,000.00	$5,067,200.00
Annualized Costs	$147,500.00	$127,000.00	$230,600.00	$253,360.00
	20 Years	40 years	60 Years`	80 Years

LIFT STATION OPTION

	20	40	60	80
3 Lift Stations, 8,300 feet of forcemain, 2.400' of gravity sewer main	$3,008,000.00	$250,000.00	$400,000.00	$640,000.00
O&M $ 30,000/yr	$600,000.00	$600,000.00	$600,000.00	$600,000.00
Surveying & Engineering	$376,000.00	$0.00	$0.00	$0.00
Acquisition Costs	$501,000.00	$0.00	$0.00	$0.00
TOTAL	$4,485,000.00	$850,000.00	$1,000,000.00	$1,240,000.00
Annualized Costs	$224,250.00	$42,500.00	$50,000.00	$62,000.00
	20 Years	40 Years	60 Years	80 Years

3% inflation on equipment, no inflation increase in employee salaries or energy costs


Graph of Comparison Pump versus Treat
$300,000.00
$250,000.00
$200,000.00
$150,000.00
$100,000.00
$50,000.00
$0.00
Annualized Costs
20
40
60
80
Time Frame in Years
Package Plant Option
Pump to WWTP Option

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Randy Jones, City Clerk**

DATE: **October 5, 2020**

SUBJECT: **September 2020 Municipal Court Report**

Type of Item: *Approval*

A. Action Item (ID # 3642)

September 2020 Municipal Court Report

Attachments:

September 2020 Municipal Court Report (PDF)

IN THE MUNICIPAL COURT OF HARRISONVILLE, MISSOURI
CASS COUNTY

I certify that the attached is a report on all cases heard or tried before the Judge of the Circuit Court of Cass County Missouri, Municipal Division at Harrisonville during the month of **September 2020** and that the information and statements contained in said report are true and correct according to my best information, knowledge and belief.

Kevin K. Anderson
Municipal Court Judge

10/5/20
Date

Presented and reviewed as required by Court Operating Rule 4.29.

City Clerk

10-5-20
Date

Subscribed and sworn to before me this 5th day of October, 2020.

Caroline E Vaughn
Notary

CAROLINE E. VAUGHN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cass County
My Commission Expires: March 14, 2023
Commission Number: 19500796

Municipal Division Summary Reporting

17th Judicial Circuit - Cass County - Harrisonville Municipal Division

I. COURT INFORMATION

Reporting Period:			
September	2020	Court activity occurred in reporting period: Yes	
Clerk's Physical Address:		**Mailing Address:**	**Vendor**
300 E. Pearl St. Harrisonville, MO 64701		PO Box 367 Harrisonville, MO 64701	Incode (Tyler Technologies)
Telephone Number:		**Fax Number:**	
(816) 380-8903		(816) 380-8910	
Prepared by:		**Prepared by E-mail Address:**	**Municipal Judge(s) Active During Reporting Period:**
MICHELLE SHAFFER		michelle.shaffer@courts.mo.gov	Kevin Anderson

II. MONTHLY CASELOAD INFORMATION		Alcohol & Drug Related Traffic	Other Traffic	Non-Traffic Ordinance
A. Cases (citations / informations) pending at start of month		137	817	772
B. Cases (citations / informations) filed		6	70	49
C. Cases (citations / informations) disposed				
	1. jury trial (Springfield, Jefferson County, and St. Louis County only)	0	0	0
	2. court / bench trial - GUILTY	0	0	0
	3. court / bench trial - NOT GUILTY	0	0	0
	4. plea of GUILTY in court	1	19	42
	5. violations Bureau Citations (i.e., written plea of guilty) and bond forfeitures by court order (as payment of fines / costs)	0	12	1
	6. dismissed by court	0	1	3
	7. nolle prosequi	3	4	5
	8. certified for jury trial (not heard in the Municipal Division)	0	0	0
	9. TOTAL CASE DISPOSITIONS	4	36	51
D. Cases (citations / informations) pending at end of month [pending caseload = (A + B) – C9]		139	851	770
E. Trial de Novo and / or appeal applications filed		0	0	0

III. WARRANT INFORMATION (pre- & post-disposition)		IV. PARKING TICKETS	
1. # Issued during reporting period:	114	Does court staff process parking tickets? Yes	
2. # Served/withdrawn during reporting period:	111	1. # Issued during reporting period:	0
3. # Outstanding at end of reporting period:	935		

V. DISBURSEMENTS	
Excess Revenue (minor traffic and municipal ordinance violations, subject to the excess revenue percentage limitation)	
Fines – Excess Revenue	$2,166.50
Clerk Fee – Excess Revenue	$227.50
Crime Victims Compensation (CVC) Fund surcharge – Paid to City/Excess Revenue	$7.40
Bond forfeitures (paid to city) – Excess Revenue	$0.00
Total Excess Revenue	**$2,401.40**
Other Revenue (non-minor traffic and ordinance violations, not subject to the excess revenue percentage limitation)	
Fines – Other	$3,451.50
Clerk Fee – Other	$264.50
Judicial Education Fund (JEF) Court does not retain funds for JEF: Yes	
Peace Officer Standards and Training (POST) Commission surcharge	$41.00
Crime Victims Compensation (CVC) Fund surcharge – Paid to State	$297.96
Crime Victims Compensation (CVC) Fund surcharge – Paid to City/Other	$8.14
Law Enforcement Training (LET) Fund surcharge	$84.00
Domestic Violence Shelter surcharge	$84.00
Inmate Prisoner Detainee Security Fund surcharge	$84.00
Sheriffs' Retirement Fund (SRF) surcharge	$123.50
Restitution	$0.00
Parking ticket revenue (including penalties)	$0.00
Bond forfeitures (paid to city) – Other	$0.00
Total Other Revenue	**$4,438.60**
Other Disbursements: Enter below additional surcharges and/or fees not listed above. Designate if subject to the excess revenue percentage limitation. Examples include, but are not limited to, arrest costs, witness fees, and board bill/jail costs.	
Total Other Disbursements	**$0.00**
Total Disbursements of Costs, Fees, Surcharges and Bonds Forfeited	**$6,840.00**
Bond Refunds	$150.00
Total Disbursements	**$6,990.00**