

A G E N D A
WORK SESSION
City of Moberly
February 06, 2023
6:00 PM

Requests, Ordinances, and Miscellaneous

1. An Ordinance Authorizing The City Of Moberly, Missouri To Issue Its Taxable Industrial Revenue Bonds (Equipmentsshare.Com Inc. Manufacturing, Refurbishment And Distribution Facility Project) Series 2023, In A Principal Amount Not To Exceed \$55,000,000, For The Purpose Of Providing Funds To Pay The Costs Of Acquiring, Improving And Equipping A Facility For An Industrial Development Project In The City; Approving A Plan For An Industrial Development Project And Costs-Benefits Analysis For The Project; And Authorizing The City To Enter Into Certain Agreements And Take Certain Other Actions In Connection With The Project And The Issuance Of The Bonds.
2. A Discussion Regarding The Purchase Of A JetVac For Public Utilities From Coe Equipment Inc.
3. A Discussion Regarding Moberly State Revolving Fund Applications Submittal To DNR And Authorizing The City Manager To Submit The Applications.
4. A Discussion Regarding Moberly State Regional Incentive Grant Application Submittal To DNR And Authorizing The City Manager To Submit The Application.
5. A Request From Lori Turk To Hold The Annual Mother's Day 5k To Raise Money For Families Battling Cancer on May 14, 2023.
6. A Resolution Approving Equipment Usage Agreement Between Burrell Health And The Police Department.
7. Review Of The 2023 Fireworks Agreement With J&M Display.
8. An Ordinance Adopting Article III To Chapter 20 Of The City Code Providing For No Smoking Of Marijuana In A Public Place Or Meeting.
9. A Resolution Accepting A Quit Claim Deed From Marian E. Cumberlander For Real Estate Located At 1204 Quinn Street.
10. Appointment To The Historic Preservation Commission.
11. An Application For Re-Zoning Submitted By Devin Snodgrass On Behalf Of Kal Cleavinger For The Property Located At 201 W Hinton Ave And The Lots To The North. They Are Requesting These Be Zoned N-1/PD (Nonurban/Planned Development District). These Locations Are Currently Zoned R-3 (Multi-Family Dwelling District).
12. An Application For A Planned Development Submitted By Devin Snodgrass On Behalf Of Kal Cleavinger For The Property Located At 201 W Hinton Ave And The Lots To The North.
13. A Discussion Regarding A Tannehill Water Line Project Change Order and Increase in Contract Costs.
14. On-Call Professional Services Agreement With Bartlett And West Expires March 3, 2023 And They Want To Extend The Agreement Another Three (3) Years.
15. Discussion Of Task Order #19 With Bartlett & West Professional Services For Shelter/Restroom Building At Kiwanis Park.
16. A Resolution Of The Council Of The City Of Moberly Approving A Sidewalk Repair Services Agreement; And Providing Further Authority.
17. Discussion Regarding Mid-Am Wanting Semi-Truck Stacking In The Right-Of-Way Of Omar Bradley Dr.

City of Moberly City Council Agenda Summary

Agenda Number: _____ WS #1.

Department: Administration

Date: February 6, 2023

Agenda Item: An Ordinance Authorizing The City Of Moberly, Missouri To Issue Its Taxable Industrial Revenue Bonds (Equipmentshare.Com Inc. Manufacturing, Refurbishment And Distribution Facility Project) Series 2023, In A Principal Amount Not To Exceed \$55,000,000, For The Purpose Of Providing Funds To Pay The Costs Of Acquiring, Improving And Equipping A Facility For An Industrial Development Project In The City; Approving A Plan For An Industrial Development Project And Costs-Benefits Analysis For The Project; And Authorizing The City To Enter Into Certain Agreements And Take Certain Other Actions In Connection With The Project And The Issuance Of The Bonds.

Summary: The City is considering the issuance of bonds under Chapter 100 RSMo. to provide property tax abatement to EquipmentShare.com in connection with the project located at 1855 Robertson Road. The City has no payment obligation on the bonds. The Ordinance approves the Plan for Industrial Development and Costs/Benefits Analysis previously distributed to the impacted taxing districts and authorizes the Mayor and City Clerk to sign the necessary bond documents and closing documents. As part of the transaction, the City will also take title to the project site and the personal property acquired by EquipmentShare.com for the project, which is necessary to provide tax abatement. All costs of issuance of this project will be paid by EquipmentShare.com.

Recommended

Action: Direct staff to bring to the February 21st Council meeting for final approval

Fund Name:

Account Number:

Available Budget \$:

ATTACHMENTS:		Roll Call	Aye	Nay
___ Memo	___ Council Minutes	Mayor		
___ Staff Report	<input checked="" type="checkbox"/> Proposed Ordinance	M___ S___ Jeffrey	___	___
___ Correspondence	___ Proposed Resolution	Council Member		
___ Bid Tabulation	___ Attorney's Report	M___ S___ Brubaker	___	___
___ P/C Recommendation	___ Petition	M___ S___ Kimmons	___	___
___ P/C Minutes	___ Contract	M___ S___ Kyser	___	___
___ Application	___ Budget Amendment	M___ S___ Lucas	___	___
___ Citizen	___ Legal Notice			
___ Consultant Report	___ Other _____		Passed	Failed

BILL NO. _____

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE CITY OF MOBERLY, MISSOURI TO ISSUE ITS TAXABLE INDUSTRIAL REVENUE BONDS (EQUIPMENTSHARE.COM INC. MANUFACTURING, REFURBISHMENT AND DISTRIBUTION FACILITY PROJECT) SERIES 2023, IN A PRINCIPAL AMOUNT NOT TO EXCEED \$55,000,000, FOR THE PURPOSE OF PROVIDING FUNDS TO PAY THE COSTS OF ACQUIRING, IMPROVING AND EQUIPPING A FACILITY FOR AN INDUSTRIAL DEVELOPMENT PROJECT IN THE CITY; APPROVING A PLAN FOR AN INDUSTRIAL DEVELOPMENT PROJECT AND COSTS-BENEFITS ANALYSIS FOR THE PROJECT; AND AUTHORIZING THE CITY TO ENTER INTO CERTAIN AGREEMENTS AND TAKE CERTAIN OTHER ACTIONS IN CONNECTION WITH THE PROJECT AND THE ISSUANCE OF THE BONDS.

WHEREAS, the City of Moberly, Missouri (the “**City**”) is authorized under the provisions of Article VI, Section 27(b) of the Missouri Constitution, as amended, and Sections 100.010 to 100.200, inclusive of the Revised Statutes of Missouri, as amended (collectively, the “**Acts**”), to purchase, construct, extend and improve certain projects (as defined in the Acts), and to issue industrial development revenue bonds for the purpose of providing funds to finance the costs of such projects and to lease or sell such projects to others, and to pledge the payments, revenues and receipts from such projects as security for the payment of the principal of, redemption premium, if any, and interest on such bonds; and

WHEREAS, pursuant to Section 100.050 of the Acts, the City has prepared a plan for an industrial development project attached as Exhibit A to and incorporated by reference in this Ordinance (the “**Plan**”) which calls for the acquisition and leasing of certain property and the renovation and equipping of certain real and personal property on an approximately 16 acre site within the City known and numbered as 1855 Robertson Road (the “**Property**”), which activities are expected to facilitate the renovation of existing buildings and improvements on the Property including, without limitation, the establishment of a construction equipment refurbishment, rental, sales, service and tracking facility (collectively, the “**Project**”) for EquipmentShare.com Inc., a Delaware corporation (the “**Company**”), and the Plan contemplates the issuance by the City in multiple series or endorsements of its taxable industrial development revenue bonds in a maximum aggregate principal amount not to exceed \$55,000,000 (the “**Bonds**”) for the purpose of completing the Project as further described in the Plan, all in accordance with and pursuant to the Acts; and

WHEREAS, pursuant to Section 100.059 of the Acts, the Council of the City (the “**Council**”) has provided written notice of the proposed Plan and Project to certain affected taxing entities not less than Twenty (20) days prior to the Council’s consideration of the Plan and Project and in such notice, such taxing entities were invited to submit comments to the Council which were fairly and duly considered and a public hearing on the Plan and Project was conducted by the Council on the date hereof; and

WHEREAS, after closing the public hearing, and upon due consideration, the Council now wishes to approve the Plan and the Project, and in connection therewith, the Council hereby finds and determines that the foregoing activities and undertakings are within the scope of the powers of the City, and the Council has further found and determined that such activities and undertakings are for a public purpose; and

WHEREAS, it is necessary and desirable in connection with the Project and the issuance of the Bonds that the City (i) approve the acceptance of the Property by the City from the Company; (ii) approve the leasing of the Property and the Project to the Company upon terms which will be sufficient to enable the City to pay principal of, premium, if any, and interest on the Bonds as the same become due and payable, all in furtherance of the public purposes of the Acts; (iii) enter into certain documents, including: (a) a certain development agreement in substantially the form attached as Exhibit B to this Ordinance (the “**Development Agreement**”) with the Company and the Moberly Area Economic Development Corporation (the “**EDC**”) providing for, among other things, the implementation of the Project and the payment of certain amounts in lieu of taxes, (b) a bond purchase agreement in substantially the form attached as Exhibit C to this Ordinance (the “**Purchase Agreement**”) by and between the City and the Company, as bond purchaser, (c) a lease purchase agreement in substantially the form attached as Exhibit D to this Ordinance (the “**Lease**”) by and between the City as “lessor,” and the Company as “lessee”, and (d) a trust indenture in substantially the form attached as Exhibit E to this Ordinance (the “**Indenture**”) between the City and BOKF, N.A., as trustee (the “**Trustee**”); and (iv) to accept the conveyance to the City of the Property by acceptance of the Special Warranty Deed attached as Exhibit F to and incorporated by reference in this Ordinance (the “**Deed**”); and

WHEREAS, in accordance with the Acts, this Ordinance and the instruments and documents specified herein, the Bonds and interest thereon shall not constitute an indebtedness of the City within the meaning of any State constitutional provision or statutory limitation and shall not constitute or give rise to a pecuniary liability of the City or a charge against the City’s general credit or taxing powers;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MOBERLY, MISSOURI AS FOLLOWS:

SECTION 1. The Recitals to this Ordinance including, without limitation, the findings and determinations therein, are hereby incorporated by reference in their entirety in this Ordinance as if set forth in full at this place.

SECTION 2. Capitalized terms used and not defined in this Ordinance shall have the meanings ascribed to them in the Indenture.

SECTION 3. The Council hereby finds and determines that the acquisition, renovation, improvement and equipping of the Project and the jobs created thereby will promote the economic well-being and industrial development of the City, the taxing entities in whose jurisdictions the Project is located, and such other affected taxing entities, and that the issuance of the Bonds to pay a portion of the costs of the Project will be in furtherance of the public purposes set forth in the Acts, all as further set forth in the Plan. As such, the Plan and the Project are hereby approved.

SECTION 4. The City Council hereby finds, determines and declares that the adoption of this Ordinance, the actions hereby authorized, and the execution and delivery of the documents herein authorized and approved is necessary to carry out the powers, purposes and duties expressly provided in the Acts and each and every matter and thing as to which provision is made herein and

therein is necessary to carry out and effectuate the purposes of the City in accordance with the Acts, and the powers of the City herein exercised are in each case discharged in accordance with the provisions of the Acts and in furtherance of the purposes of the City.

SECTION 5. The City shall issue the Bonds but only in the manner provided in the Indenture, for the purpose of providing funds to finance the Project. The City and the Trustee shall deposit and apply and use the proceeds of the Bonds as set forth in the Indenture. The Bonds shall be issued in such form, mature on such dates, bear and pay interest at such rates and on such dates, be subject to redemption prior to maturity and contain such other terms and provisions as set forth in the Indenture. The Bonds shall be executed on behalf of the City by the Mayor under the official seal of the City attested by the City Clerk. The signatures of the Mayor and the City Clerk may be manual or facsimile. The official seal of the City may be actually impressed or imprinted or otherwise reproduced thereon by facsimile. No Bond shall be issued unless first authenticated by the Trustee, to be evidenced by the manual signature of an authorized signatory of the Trustee on such Bond. The Bonds shall be a limited obligation of the City, payable solely from the revenues from the Lease as pledged under the Indenture. The Bonds and interest thereon shall never be or be considered a general obligation of the City or an indebtedness of the City, the County of Randolph, or of the State of Missouri or any subdivision thereof within the meaning of any State constitutional provision or statutory limitation and shall not constitute or give rise to a pecuniary liability of any of them or a charge against their general credit or taxing powers.

SECTION 6. The City has negotiated for the sale of the Bonds to the Company at the price set forth in the Purchase Agreement. Given the purposes of the financing and the involvement of the City therewith, it is the determination of the Council that the Bonds shall be hereby awarded to the Company at the price aforesaid with delivery to follow in the manner, at the time or times and subject to the conditions set forth in the Purchase Agreement and this Ordinance. As evidence thereof, the Mayor and the City Clerk are hereby authorized and directed for and in the name of the City to execute and deliver the Purchase Agreement in substantially the form of Exhibit C presented herewith, with such insertions therein changes or corrections thereto as shall be approved by the Mayor consistent with this Ordinance and the terms of the Acts, the execution thereof to constitute conclusive evidence of the approval of any such insertions and corrections.

SECTION 7. The terms and provisions of the Development Agreement, the Lease and the Indenture are hereby approved. The Mayor and the City Clerk are hereby authorized for and in the name of the City to execute, affix with the official seal of the City and deliver such documents in the substantially the forms of Exhibit B, Exhibit D and Exhibit E, respectively, presented herewith, or with such insertions therein changes or corrections thereto as shall be approved by the Mayor consistent with this Ordinance and the terms of the Acts, the execution thereof to constitute conclusive evidence of the approval of any such insertions and corrections.

SECTION 8. The Mayor and the City Clerk are hereby authorized for and in the name of the City to execute the Bonds in the manner authorized by Section 5 of this Ordinance. Subject to the terms and conditions of the Purchase Agreement and the Development Agreement, the City shall deliver the Bonds to the Company as purchaser against payment of the purchase price therefor.

SECTION 9. The Mayor and other appropriate officials of the City are hereby authorized and directed to accept the conveyance from the Company of the Property as set forth in the Deed; and to acknowledge and cause to be recorded in the office of the Randolph County Recorder the Deed and any and all such instruments necessary to effectuate such conveyance, and to take such further actions and execute such further instruments and may be necessary or convenient to obtain fee title to comprise the Property.

SECTION 10. The selection of Gilmore & Bell, P.C. as Bond Counsel in connection with the issuance of the Bonds, pursuant to the terms of the engagement letter attached hereto as Exhibit G, is hereby confirmed and approved. The selection of BOKF, N. A. as Trustee under the Indenture in connection with the issuance of the Bonds is hereby approved. Bond Counsel's issuance fee and the Trustee's closing fee are hereby approved as Costs of Issuance of the Bonds. The City shall and the Mayor and the City Clerk and other appropriate officers, agents and employees of the City are hereby each further authorized to execute, publish, file and record such other documents, instruments, notices (including, without limitation the Annual Report filed with the State of Missouri Department of Economic Development) and records and to take such other actions and execute and deliver such other documents, certificates, and instruments as shall be necessary or desirable to accomplish the purposes of this Ordinance and to comply with and perform the obligations of the City under the Bonds, the Development Agreement, the Lease, and the Indenture.

SECTION 11. All exhibits referenced in this Ordinance are hereby incorporated in this Ordinance by this reference as if such exhibits were fully set forth herein.

SECTION 12. The portions of this Ordinance shall be severable. In the event that any portion of this Ordinance is found by a court of competent jurisdiction to be invalid, the remaining portions of this Ordinance are valid, unless the court finds the valid portions of this Ordinance are so essential and inseparably connected with and dependent upon the void portion that it cannot be presumed that the City Council would have enacted the valid portions without the invalid ones, or unless the court finds that the valid portions standing alone are incomplete and are incapable of being executed in accordance with the legislative intent.

SECTION 13. This Ordinance shall take effect and be in force from and after its passage and adoption by the Council of the City of Moberly, Missouri, and its signature by the officer presiding at the meeting at which it was passed and adopted.

PASSED AND ADOPTED by the Council of the City of Moberly, Missouri on this 21st day of February, 2023.

Presiding Officer at Meeting

ATTEST:

Shannon Hance, City Clerk

EXHIBIT A
PLAN FOR AN INDUSTRIAL DEVELOPMENT PROJECT
AND
COSTS/BENEFITS ANALYSIS

EXHIBIT B
DEVELOPMENT AGREEMENT

EXHIBIT C
PURCHASE AGREEMENT

EXHIBIT D
LEASE

EXHIBIT E
INDENTURE

EXHIBIT F
SPECIAL WARRANTY DEED

EXHIBIT G
BOND COUNSEL ENGAGEMENT LETTER

CERTIFICATE REGARDING BOND ORDINANCE

I, the undersigned, as duly appointed and serving City Clerk of the City of Moberly, Missouri, do hereby certify that the attached including Exhibits A, B, C, D, E, F and G thereto, is a true and accurate copy of Ordinance No. _____ of the City approving, among other things, the issuance by the City of its Taxable Industrial Revenue Bond (EquipmentShare.com Inc. Manufacturing, Refurbishment and Distribution Facility Project) Series 2023 in the maximum aggregate principal amount of \$55,000,000 as the same appears of record in the Office of the City Clerk and said Ordinance was duly passed and approved by the Council of the City at a duly noticed meeting held on February 21, 2023 and has not been amended, modified or repealed and remains in full force and effect as of the date set forth below.

Dated: _____, 2023

Shannon Hance, City Clerk
City of Moberly, Missouri

**CITY OF MOBERLY, MISSOURI
(EQUIPMENTSHARE.COM INC. MANUFACTURING, REFURBISHMENT AND
DISTRIBUTION FACILITY PROJECT)**

**PLAN FOR
INDUSTRIAL DEVELOPMENT PROJECT
AND
COSTS/BENEFITS ANALYSIS**

**CITY OF MOBERLY, MISSOURI
 (EQUIPMENTSHARE.COM INC. MANUFACTURING, REFURBISHMENT AND
 DISTRIBUTION FACILITY PROJECT)**

**PLAN FOR INDUSTRIAL DEVELOPMENT PROJECT
 AND
 COSTS/BENEFITS ANALYSIS**

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PLAN FOR INDUSTRIAL DEVELOPMENT PROJECT
AND
COSTS/BENEFITS ANALYSIS

CITY OF MOBERLY, MISSOURI
(EQUIPMENTSHARE.COM INC. MANUFACTURING, REFURBISHMENT AND
DISTRIBUTION FACILITY PROJECT)

I. Industrial Development Plan

Pursuant to section 100.020 of the Revised Statutes of Missouri, as amended, the City of Moberly, Missouri (the “**City**”) enjoys express authority to carry out projects for industrial development. Additionally, the City may issue industrial revenue bonds to facilitate a “project for industrial development” under the terms of sections 100.010 to 100.200 of the Revised Statutes of Missouri, as amended (the “**IDB Act**”) and article VI, section 27(b) of the Missouri Constitution (together with the IDB Act, the “**Acts**”).

Under the IDB Act, a “project for industrial development” or “project” is defined as “the purchase, construction, extension and improvement of warehouses, distribution facilities, research and development facilities, office industries, agricultural processing industries, service facilities which provide interstate commerce, and industrial plants, including the real estate either within or without the limits of such municipalities, buildings, fixtures, and machinery.” Pursuant to the Acts, the City intends to issue taxable industrial revenue bonds (“**Chapter 100 Bonds**”) to facilitate a proposed industrial development project on behalf of EquipmentShare.com Inc. (the “**Company**”), a Delaware corporation duly authorized to do business in Missouri and having a principal office at 5710 Bull Run Drive, Columbia, Missouri 65201.

The IDB Act requires any city proposing to carry out a project for industrial development to approve a plan for the proposed project. Accordingly, the City has caused this plan for an industrial development project (this “**Plan**”) to be prepared pursuant to the Acts to analyze and inform certain affected taxing entities of the potential costs and benefits, including the related anticipated tax impact on such affected taxing entities, of using Chapter 100 Bonds to facilitate abatement of ad valorem real and personal property taxes and exemption from sales and use taxes on property purchased for use in or incorporated into the project described below.

II. Parties

The Company. Founded in 2014, the Company has grown into one of the fastest-growing construction equipment sales, rental, and service businesses in the world by integrating its proprietary digital tracking and management systems into the rental and retail experience. In addition to providing construction vehicles and equipment, the Company’s software which is available to both purchasers and renters allows fleet managers to monitor assets, prevent theft and machine misuse, track usage, schedule maintenance, and prevent unplanned downtime. The Company now seeks to expand its operations by renovating recently acquired improved property

containing approximately 16 acres within the corporate limits of the City and known and numbered as 1855 Robertson Road, all as described in Exhibit A, attached to and incorporated by reference in this Plan (the “**Property**”) as a new construction equipment refurbishing, rental, sales, service and tracking facility (collectively, the “**Project**”).

The City. The City is a city of the third classification and political subdivision of the State of Missouri. According to the United States Census Bureau, the City’s 2020 population was just under 14,000. The City is the largest city in Randolph County and is located near the center of the state, almost equidistant from Kansas City and St. Louis. The City is located at the intersection of two US Highways and rail facilities operated by Norfolk/Southern railroad. The City’s workforce is robust and varied, suitable to a variety of industry and business sectors and offers a diverse skill set from highly technical workers to skilled labor to entry-level personnel. The City and the region have one of the lowest costs of labor in the United States.

The EDC. Moberly Area Economic Development Corporation (the “**EDC**”) was formed in 1988 to facilitate economic development in the City and throughout Randolph County. The EDC is a nonprofit, public/private partnership that works to promote new investment in a three county area in an effort to create new jobs, increase the tax base of local municipalities and taxing jurisdictions, and diversify the local economy. Among other activities, the EDC promotes the region to site selectors and business leaders and assists the City and other local governments and existing business with expansion opportunities.

III. Description of the Project

Pursuant to that certain Development Agreement among the City, the EDC, and the Company (the “**Development Agreement**”), upon the Company’s conveyance of the Property to the City, the City will lease the Property back to the Company and the Company will renovate, equip, and finance the Project. More specifically, under a certain Lease Purchase Agreement with the City dated as of even date with the Development Agreement (the “**Lease**”) the Company will renovate the existing structure located at 1855 Robertson Road (including costs of acquisition, the “**Financed Facility**”), as depicted on Exhibit B, attached hereto. In addition, the Company plans to acquire and install machinery, equipment, furnishings, hardware and software, robotics and special tools, and other personal property with a fair market value of over \$44 Million to furnish and equip the Financed Facility (collectively, the “**Financed Equipment**”) as a construction equipment refurbishment, rental, sales, service and tracking facility. It is anticipated that the fully-realized Project will result in the creation of approximately 150 new full-time or full-time equivalent jobs (“**FTE Jobs**”) with an average annual wage in excess of \$46,000.

Under the Development Agreement, beginning in calendar year 2023 and continuing through 2028, the City will periodically issue Chapter 100 Bonds, in multiple series (including endorsements thereto), in the aggregate maximum principal amount not to exceed Fifty-Five Million Dollars (\$55,000,000) (collectively, the “**Bonds**”) for the purpose of providing funds for paying the Project costs. The maximum term of the Bonds (and of any endorsements thereto) shall be Twelve (12) years in accordance with the schedule on the page following.

Lease Year	Lease Term Start Date ¹	Bond Payment #/Due	Abatement Year
1	3/1/2023 ²	N/A	1
2	1/1/2024	1 12/1/24	2
3	1/1/2025	2 12/1/25	3
4	1/1/2026	3 12/1/26	4
5	1/1/2027	4 12/1/27	5
6	1/1/2028	5 12/1/28	6
7	1/1/2029	6 12/1/29	7
8	1/1/2030	7 12/1/30	8
9	1/1/2031	8 12/1/31	9
10	1/1/2032	9 12/1/32	10
11	1/1/2033	10 12/1/33	11
12	1/1/2034	11 12/1/34	12

¹ The foregoing assumes a single conveyance of the entire Project in one phase, however, in the event the Project will be completed in sequential phases, the Lease by its terms ends on the *later* of (i) December 31, 2034 (12 years following the anticipated last date for acceptance by the City of any portion of the Financed Facility or the Financed Equipment) or (ii) with respect to each portion of the Bonds represented by an annual endorsement of principal, December 1 of that year which is twelve (12) years from the year of such annual endorsement as set forth on the Table of Cumulative Outstanding Principal Amount on the Bonds, to which an Additional Payment/Principal Amount Advanced pertains. Thus, each portion of the completed Project will obtain a maximum 12 full years of year abatement.

² On or about March 1, 2023.

The initial issuance of the Bonds is expected to occur in the first quarter of 2023 and shall occur contemporaneous with the conveyance by the Company to the City and the leasing back by the City to the Company of the Property. Bond “proceeds” from the initial issuance shall be used to pay costs of issuance of the Bonds and administrative and legal costs of the Project as well as initial acquisition costs. Each subsequent issuance and endorsement to the Bonds required by the Project construction schedule or events of *force majeure* will attend the phasing of renovations to the building, site improvements, and furnishing and equipping of the Financed Facility and the Financed Equipment to support the Project. All additional endorsements to the Bonds shall be made in amounts corresponding to the costs of the portions of the Project then completed or installed, but not previously financed by prior endorsements to the Bonds.

To facilitate the Project, the City will retain fee simple title to the Property. The City will issue the Bonds, and the Company will lease the Property from the City for a term of Twelve (12) years beginning on the date of the acceptance by the City of the Property. Contemporaneous with each subsequent endorsement to the Bonds, the City will also acquire (but not more frequently than annually) title to all real property improvements at the Financed Facility, and to all Financed Equipment as constructed or installed at the Financed Facility and on the Property in furtherance of the Project. Under supplements to the Lease, the City shall lease the applicable portions of the Financed Facility and Financed Equipment so acquired to the Company, in each case for a term of Twelve (12) years from the date of acquisition.

The Company seeks to obtain an initial Eight (8) year exemption from ad valorem taxation of One Hundred Percent (100%) of ad valorem taxes imposed on the realty and personalty comprising the Project plus an additional Four (4) year exemption from ad valorem taxation of Fifty Percent (50%) of ad valorem taxes imposed on the realty and personalty comprising the Project. The City and the Company anticipate that the Property, the Financed Facility and the Financed Equipment will be exempt from levies of ad valorem taxes for as long as the City owns such property and, accordingly, that the Company shall enjoy property tax abatement on the Property and portions of the Financed Facility or Financed Equipment for a period of Twelve (12) years after the City has acquired such portions of the Financed Facility or Financed Equipment, as applicable. Pursuant to the Development Agreement, beginning in Year 9 of the Project and for every year thereafter during the term of the Lease, the Company shall make payments in lieu of taxes (each a “PILOT”) at the rate of fifty percent (50%) of the total real and personal property tax due in each such year, all in accordance with the schedule below. In compliance with section 100.050.3 of the IDB Act, PILOT amounts in excess of actual costs of Plan administration shall immediately upon receipt be disbursed by the City Treasurer to each affected taxing jurisdiction in proportion to their current ad valorem tax levies. In addition, in any year in which the Project fails to provide and maintain the target number of FTE Jobs, the Company will be required to make a further annual PILOT as additional rent under the Lease, as further described in Section XI of this Plan.

Lease Year	Lease Term Start Date ¹	Abatement Year	% Exemption	% PILOT Required ²
1	3/1/2023	1	N/A	-0-
2	1/1/2024	2	100%	-0-
3	1/1/2025	3	100%	-0-
4	1/1/2026	4	100%	-0-
5	1/1/2027	5	100%	-0-
6	1/1/2028	6	100%	-0-
7	1/1/2029	7	100%	-0-
8	1/1/2030	8	100%	-0-
9	1/1/2031	9	50%	50%
10	1/1/2032	10	50%	50%
11	1/1/2033	11	50%	50%
12	1/1/2034	12	50%	50%

¹ On or about March 1, 2023.

² Whether or not the Project is completed and conveyed in sequential phases, the percentage of PILOTs due in any year shall apply to all portions of the Property, the Financed Facility, and the Financed Equipment then accepted and held in fee by the City. Thus each portion of the Project will obtain a maximum 12 year abatement.

Finally, the City will permit the Company to use the City’s tax-exempt status to obtain an exemption from certain sales taxes for purchases of qualified building materials and personal property to be incorporated into or consumed in the construction of the Project.

IV. Estimated Cost of the Project

The acquisition of the Financed Facility cost approximately \$1,950,000 and real property improvements to the Financed Facility are expected to cost \$1,877,437.

The acquisition and installation of the Financed Equipment is expected to cost \$44,894,112.

Values for the existing facility have been provided by the Office of the Randolph County Assessor. Acquisition costs and estimated Project costs for all new investment have been provided by the Company. *Neither the City nor the EDC have undertaken any independent verification of these amounts. See also Attachment A* to this Plan for relevant assumptions informing these estimates.

V. Statement of Source of Funds to be Expended for the Project

The principal source of funds to be expended for the Project will be the issuance of Bonds, in an aggregate principal amount equal to: (i) in the case of the initial issuance of the Bonds, the costs of issuance of the Bonds including closing costs, fees and charges, together with and legal and administrative costs associated with the documentation of the Project and the required conveyances and the acquisition cost of the Property; and (ii) in the case of subsequent issuances of Bonds, the “true value in money,” as finally determined in accordance with Missouri law, of the applicable portions of the Financed Facility and Financed Equipment together with closing costs, fees, and charges associated with each such subsequent issuance and endorsement and conveyance of Financed Facility and Financed Equipment. It is expected that the Company will purchase and hold the Bonds and each subsequent endorsement to the Bonds relating to the Project in exchange for the Property and applicable portions, as completed, of the Financed Facility and the Financed Equipment, all pursuant to a written bond purchase agreement with the City and a trust indenture for the Bonds (the “**Indenture**”). In addition, other available Company funds are expected to be utilized in support of the Project.

The City shall in no way have liability to make payments with respect to the Bonds except from revenues derived by the City from payments or credits under the Lease and other related Bond documents and the City shall not be obligated to commit or expend the City’s own funds in connection with or support of the Project. The Bonds issued by the City shall be secured solely by rent payments or credits under the Lease, and the Bonds will be payable solely from the rent payments or credits provided by the Company to the City under the Lease. The Bonds shall not be an indebtedness, general obligation, or liability of the City, Randolph County, or the State of Missouri or of any political subdivision thereof.

VI. Statement of the Terms Upon Which the Facilities to be Provided by the Project are to be Leased or Otherwise Disposed of by the Municipality

The City shall lease the Property to the Company contemporaneous with the initial Bond issuance. It is expected that the Financed Facility and the Financed Equipment shall be conveyed to the City as completed and, as necessary, on an annual rolling basis during the time that the

Project is under construction, with the Company conveying to the City in December of each year during the renovation and construction period the portion of the Financed Facility and Financed Equipment completed but not yet conveyed to the City. Contemporaneous with each such conveyance, the City shall lease the portions of the Financed Facility and Financed Equipment back to the Company via supplements to the Lease, and the Bonds shall be endorsed in an amount equal to the “true value in money” of the conveyed Financed Facility and Financed Equipment. Payments or credits made under the Lease and supplements to the Lease shall at all times be deemed to be equal to, timed to coincide with the due dates of, and be pledged to the satisfaction of applicable principal of and interest on the Bonds, as the same shall become due and payable. The Company shall also be required to make certain PILOTs to affected taxing entities, as described in Section III, above and additionally described in Section XI of this Plan.

The Company will renovate, furnish, and equip the Financed Facility and will purchase and install the Financed Equipment on the Property in accordance with the Development Agreement, and the terms and provisions of the Lease. It is anticipated that the City shall be the sole owner in fee of the Property, and each portion of the Financed Facility and Financed Equipment during the Twelve (12) year period beginning in the year in which the existing Property or such portion of the Financed Facility or Financed Equipment was conveyed to the City. At the end of the Lease term, the City shall re-convey the Financed Facility and Financed Equipment to the Company and the Project shall be subject to all applicable ad valorem tax levies.

Under the terms of the Lease, the Company shall have the option to purchase the Property, the Project, the Financed Facility, and the Financed Equipment or any portion thereof at any time prior to the expiration of the term of the Lease at prices set forth in the Indenture. Upon the expiration or termination of the Lease or when all principal and interest due on the Bonds shall have been paid in full, the Company will have the obligation to purchase the Project, the Property, the Financed Facility, and the Financed Equipment under terms specified in the Lease and the Indenture. The Lease will terminate not later than December 31 of the year that is Twelve (12) years from the year in which the final endorsement to the Bonds is made. The Lease is subject to earlier termination provisions.

VII. Statement Identifying Each School District, Community College District, County, City or Emergency Service District Affected by Such Project Except Property Assessed by the State Tax Commission Pursuant to Chapters 151 and 153, RSMo.

The Moberly R-2 School District, Moberly Area Community College, Randolph County, and the City constitute the school district, community college district, county, and city, respectively, affected by the Project. The Moberly Special Road District, Moberly Road and Bridge District, Randolph County Road and Bridge District, Randolph County Developmental Disabilities Board, Little Dixie Library District, and the Randolph County Health District also levy property taxes within the Project area. Finally, the Westran R-1 School District, Higbee R-8 School District, Sturgeon R-5 School District, Renick R-5 School District, Northeast R-4 School District, Chariton R-4 School District, City of Huntsville, City of Clifton Hill, Village of Renick, Village of Cairo, City of Higbee, City of Clark, and Village of Jacksonville are also school districts, community college districts, or municipalities affected by the Project to the extent these entities receive allocations of merchants and manufacturers replacement or commercial surtax amounts.

The Costs/Benefits Analysis set forth in Section X of this Plan and related exhibits to this Plan identifies all taxing entities affected by the Project.

VIII. Most Recent Equalized Assessed Valuation of the Real Property and Personal Property Included in the Project

According to the records of the Randolph County Assessor’s Office, the most recent equalized assessed valuation (2022) of the Property and improvements is \$478,120. The current assessed valuation reflects a “Commercial” classification.

None of the Financed Equipment has been acquired or installed. Accordingly, the most recent equalized assessed valuation of the personal property included in the Project is \$0.

IX. Estimate of the Equalized Assessed Valuation of the Real Property and Personal Property Included in the Project after Development

The “true value in money” of the land and improvements included in the Property and the Project is based upon the Company’s acquisition cost of \$1,950,000 plus estimated cost of real property improvements of \$1,877,437. The estimated assessed value of \$1,224,780 was determined by multiplying the purchase price and the cost of improvement to the real property portion of the Project (collectively, \$3,827,437) by the assessment ratio for commercial real property of 32%.

The equalized assessed valuation of personal property included in the Project is estimated to be \$14,949,739.30 in the year the Project is expected to be completed. The estimated assessed valuation for personal property was calculated by multiplying the initial cost of the personal property (\$44,894,112), by the assessment ratio for commercial personal property of 33.33%. The value of the personal property reflects the value estimated as of 2023 when the Project is expected to be begin. The assessed value of personal property in the Project is expected to decrease, however, in the years between 2023 and 2034, when the last endorsement to the Bonds is expected to be made, due to depreciation. Some of this decrease may be offset, however, by periodic replacements by the Company of portions of the Financed Equipment pursuant to terms of the Lease.

The actual assessed value of the real and personal property comprising the Project may be more or less than the estimates provided in this section. The assumptions used in estimating the assessed value of real and personal property after the Project is complete are set forth in **Attachment A** and the exhibits attached to this Plan.

These estimates are not intended to bind the Company, or the Randolph County Assessor in determining the “true value in money” of the Property, the Financed Facility or the Financed Equipment in determining PILOT amounts due or for other computational purposes.

X. *An Analysis of the Costs and Benefits of the Project on Each School District, Community College District, County, City and Emergency Service District*

Pursuant to section 100.050.2(3) of the IDB Act, this Plan includes an analysis of the costs and benefits to the City and other taxing entities affected by the proposed tax abatement and exemptions applicable to the Project. In addition, the following provides a summary of the exhibits attached to this Plan that estimate the direct tax impact the Project is expected to have on certain taxing entities accompanied by an explanation of the ancillary benefits expected to be derived from the Project. **Attachment A – Summary of Key Assumptions** illustrates and summarizes various assumptions related to the determination of the assessed valuations and the tax formulas that were applied.

Summary of Cost/Benefit Analysis. Exhibit C, attached to and incorporated by reference in this Plan, presents a summary for each affected taxing entity of: (1) the total estimated tax revenue that would be generated if no project were completed on the Property (the “No Project Scenario”); (2) the total real and personal property tax revenues that would be generated if the Project were completed taking into account the tax exemption provided under the Acts and the PILOTs required under the Development Agreement; and (3) the difference between revenues generated with and without the Project. The summary reveals that during the twelve-year abatement period the Project is expected to generate total tax revenues of \$431,306. This amount represents that which would be received under a “No Project” scenario. At the end of the twelve-year abatement period, even with depreciation applied, cumulative annual amounts to taxing districts will produce annual amounts over \$200,000. Moreover, these amounts do not include or account for the “spinoff” benefits accruing from the maintenance of 150 new full-time jobs having an average annual wage of \$46,000.

Real Property Tax Revenues. Exhibit E, attached to and incorporated by reference in this Plan, provides the projected revenues that would be generated from the Property and the Financed Facility, assuming completion of the Project on the schedule and as described in this Plan. The estimated tax revenues are shown for all taxing districts affected, including those districts only affected to the extent that they receive a portion of the County’s commercial surtax applied to the Property. These projections include amounts that the Company is obligated to pay as payments in lieu of taxes. After tax year 2030, the Company will make annual PILOT payments equal to fifty percent (50%) of tax revenues that would otherwise be generated by the realty comprising the Project. Estimated revenues from annual PILOT payments based on real property alone total nearly \$200,000 (\$195,667) over the Lease Term.

Personal Property Tax Revenues. Exhibit F, attached to and incorporated by reference in this Plan, provides the projected personal property tax revenues that would be generated from the Financed Equipment for the term of the proposed tax abatement. Because the Chapter 100 Bonds cover personal as well as real property the resulting exemption from taxation applies to (100%) of the property taxes on personalty and equipment. However, as in the case of the real property tax revenues discussed above, beginning in 2030, the Company will also make PILOT payments representing fifty percent (50%) of revenues that would otherwise be generated by Project personal property.

Estimated revenues from annual PILOT payments representing personalty and equipment are expected to generate an estimated a total in excess of \$214,000 over the Lease Term. This amount incorporates the assumption that the Company will enjoy applicable depreciation allowances on all such equipment. Again, when the twelve-year abatement period will have run, the Property can be expected to generate annual amounts of over \$107,000 solely from personal property taxation.

Sales Tax Exemption. By allowing the Company to utilize the City’s sales tax exemption as provided under the Acts, the City will also provide a sales tax exemption on qualified building materials and certain personal property necessary to construct and equip the Project which are not otherwise exempt from sales tax. Notably, the State of Missouri provides for exemption from sales tax independent of the Chapter 100 Bonds incentive for equipment purchases related to manufacturing.

Accordingly, the sales tax exemption analyzed below applies only to non-manufacturing personal property purchased as a part of Project development. This Plan assumes an estimated \$1,877,437 in building materials purchases principally for renovations to the existing structure and of an estimated \$45,600,000 in total estimated expenditures for personalty and equipment, with \$225,000 allocated to non-manufacturing personal property purchases. Under these assumptions and those in Attachment A the net fiscal impact of the sales tax exemption if granted by the City is estimated to \$173,180, distributed as follows:

State of Missouri	\$52,560
City of Moberly	\$26,280
Randolph County	\$83,828
Randolph County Ambulance District	\$10,512
Total	\$173,180

Arguably, these “foregone” amounts still represent a significant impact on the affected jurisdictions. However, this argument is falsified by the observation that, unlike property tax revenues, sales taxes are entirely transaction based. Thus for such revenues to be truly “foregone,” the Project would have to occur regardless of the exemption, an unlikely scenario given the highly competitive process attending selection of a location for the Project and the realization that the availability of the tax abatement/exemption provided the City and the IBD Act was a material inducement to the Company to undertake the Project in Moberly.

Service Costs of School Districts, Community College Districts, County, and Cities. The completion of the Project may require taxing entities that are affected by the Project to provide certain additional governmental services to the Property. Service costs for Randolph County and the City have been estimated based on a pro-rata allocation of available budgeted 2021 total annual expenditures for the respective taxing jurisdictions over the entire service area served respectively by each such taxing district. Estimated services costs resulting from the Project were calculated by allocating the estimated services costs of Randolph County and the City proportionally to the Project and the Property on a per acre basis.

Because the Project does not provide for residential development, it is assumed that no significant population will be added as a direct component of the Project. Further, both the City and the Company anticipate that the majority of new FTE Jobs can be expected to be filled by employees who will either be coming from outside the immediate area or who already reside in the service area. Thus, no significant influx of population of school-age children or adult students is expected. As such, the Moberly R-2 School District and the Moberly Area Community College District can be expected to incur only minimal direct service costs as a result of the Project. Moreover, to the extent any such student population increases are experienced, currently existing facilities are expected to satisfy any additional service demand. Table 1 below page provides a comparison of estimated annual costs by taxing entity to provide services to the Property under “No Build” and “With Project” scenarios.

Table 1: Taxing Entity Annual Service Costs ¹

Taxing Entity	“No Build” Services to Property ²	“No Build” Services Costs to Property	Added Services to Property “With Project” ³	Total Services Costs to Property “With Project”
City of Moberly	Administration, Law Enforcement, Utilities, Stormwater Management	\$25,912 ⁴	Wastewater, Solid Waste, Parks & Recreation; Water, Fire and Emergency Services	\$33,653
Randolph County	General County Government Services, County Law Enforcement	\$284	Health Code Enforcement	\$370
Moberly School District	Elementary & Secondary Education	\$0	None/Minimal	\$0
Moberly Area Community College	Adult & Higher Education	\$0	None/Minimal	\$0

¹ Services costs are based upon a pro-rata allocation of applicable portions of available 2020-2021 annual budget data for each individual taxing entity on a per acre basis. After the estimated services costs are determined for each individual taxing entity, such estimated services costs are applied to the Project based on a ratio of the total service area acreage of the taxing entity versus the acreage of the Project area. Where no service population exists, certain service costs are presumed to be \$0.00.

² “No Build” services are those provided on a general basis to all properties within the taxing district, whether improved or unimproved.

³ “With Project” services are those additional services provided to individual parcels of property with occupied improvements. As such, these services include services the taxing entity currently provides to the Property, together with anticipated increases in service demand resulting from active occupancy and use of the premises. Costs shown are allocation only – not necessarily actual costs.

⁴ Pro-rata allocation assumes that service demand associated with each acre is equal; in fact, unoccupied or vacant ground generates significantly less service demand than occupied ground. As such, this estimate of costs is likely a significant over-estimate of actual costs associated with the Property as presently used.

Taxing entities identified in Section VII of this Plan that are affected by the Project only to the extent that they receive allocations of commercial surcharge amounts will provide no services to the Property, and thus, will bear no associated services costs.

As the Project is developed, affected taxing entities, particularly the City, may experience increased capital or operation costs as a result of providing services to operations on the Property. For example, emergency services demand may increase due to the increase of industrial activity.

However, some of these potential increased costs may be absorbed by the capacity of existing facilities that currently serve areas around the Property. On the other hand, individual facilities that currently are at capacity or in the near future may reach capacity could be overburdened by significant increases in localized demand. Simply put, the costs and impacts on taxing entities resulting directly from Project completion are difficult or impossible to objectively quantify. Any increase in business activity, construction, and development creates a potential concomitant increase in localized demand for certain public services. Where such impacts may be anticipated, however, these have been considered against the anticipated magnitude of new revenues generated by development and job creation that will be available to meet cost concerns.

Ancillary Project Benefits. During the term of the abatement, the Company is expected to create and maintain 150 FTE Jobs at the Property. The City and Randolph County may therefore experience an increase in business activity to support the Project's employees and operations. The Project may also provide collateral benefits for local suppliers during the construction period. If the Company fails to create and maintain this anticipated number of FTE Jobs, the Company will pay PILOTs in amounts tied to the number of FTE Jobs actually created, as described in Section XI of this Plan, with the amount of PILOTs increasing as the number of FTE Jobs actually created decreases. Recognizing the difficulties in quantifying costs and impacts of the Project identified above, ancillary impacts were not quantified for the purposes of the Project and this Plan.

XI. Identification of any Payments In Lieu of Taxes Expected to be Made by Any Lessee of the Project, and the Disposition of any such Payments by the Municipality

Beginning in tax year 2030 the Company will make PILOTs at the rate of fifty percent (50%) of the total real and personal property tax due in each such year as determined in each such year by the Randolph County Assessor.

[Remainder of Page Intentionally Left Blank.]

Lease Term	Abatement Year	% Exemption	% PILOT Required ²
3/1/2023 ¹	1	N/A	-0-
1/1/2024	2	100%	-0-
1/1/2025	3	100%	-0-
1/1/2026	4	100%	-0-
1/1/2027	5	100%	-0-
1/1/2028	6	100%	-0-
1/1/2029	7	100%	-0-
1/1/2030	8	100%	-0-
1/1/2031	9	50%	50%
1/1/2032	10	50%	50%
1/1/2033	11	50%	50%
1/1/2034	12	50%	50%

¹ On or about March 1, 2023.

² The table above assumes a single phase completion and conveyance of the Project. However, whether or not the Project is completed and conveyed in sequential phases, the percentage of PILOTs due in any year shall apply to all portions of the Property, the Financed Facility, and the Financed Equipment then accepted and held in fee by the City. Thus, each portion of the Project will enjoy a maximum 12 year abatement.

In compliance with section 100.050.3 of the IDB Act, PILOT amounts above in excess of actual costs of Plan administration upon receipt will be disbursed by the City Treasurer to each affected taxing jurisdiction in proportion to their current ad valorem tax levies.

If at any time during the term of the Lease reimbursements to emergency service districts pursuant to section 100.050.4 of the IDB Act or successor enactments are required to be made, the Company shall be and shall remain solely responsible for making such reimbursements as and when due.

If the Company provides and maintains the anticipated 150 FTE Jobs through the Project, the Company will not incur an obligation to pay additional PILOTs (over those described in the preceding paragraph) during the term of the Bonds. However, if the number of FTE Jobs is determined to be less than 150, calculated in accordance with the Development Agreement, the Company will pay additional PILOTs on the Financed Facility and the Financed Equipment in the form of additional rent payments under the Lease (the “**Additional Rents**”), beginning in 2024 and in any year thereafter that the Bonds remain outstanding in which the number of FTE Jobs is not 150. The PILOTs will be calculated on a sliding scale based on the number of FTE Jobs actually provided compared to the target amount required. Such Additional Rents will be also disbursed to applicable taxing districts in accordance with section 100.050.3 of the IDB Act.

XII. Conclusion

Based on representations of the Company, the decision by the Company to pursue the Project would not have occurred without the City's commitment to adopt and approve the Plan. The Project will provide a significant net benefit to Randolph County, the City, and other affected taxing entities. The Project is anticipated to generate 150 Jobs. The creation of 150 Jobs will provide a significant benefit to local taxing entities by increasing the overall tax base.

* * *

ATTACHMENT A

Summary of Key Assumptions and Sources

The following assumptions have been applied in the foregoing Plan and in the Costs/Benefits Analysis. Where applicable sources of information and limits have been identified:

1. The cost of acquiring and renovating the Financed Facility is estimated to be \$3,827,437. The cost of acquiring and installing the Financed Equipment is estimated to be \$44,894,112.
2. The Financed Facility and the Financed Equipment are assumed to be completed by December 31, 2023 but may be completed later than that date depending upon the Project phasing schedule and market demand. In light of the uncertainty attending these factors as well as possible supply chain delays or events of *force majeure* this Plan and accompanying Costs/Benefits analysis has assumed that 100% of the Financed Facility and Financed Equipment will be completed in 2023.
3. Renovation of the Financed Facility will begin in mid-2023. The Property and existing improvements will be conveyed to the City at the initial closing on the Bonds. Purchase of the Financed Equipment will also begin in 2023 and, for purposes of this Plan, have been assumed to be completed and installed not later than December 31, 2023. Again, factors such as the phasing schedule, market demand, availability of materials and equipment, and events of *force majeure* may extend this period.
4. The Property, the Financed Facility, and the Financed Equipment will be owned by the City and leased to the Company at all times during the term of the Lease.
5. The Property, the Financed Facility, and the Financed Equipment will be excluded from the calculation of ad valorem property taxes for the term of the Lease. Each year, the portions of the Financed Facility and Financed Equipment completed but not previously conveyed to the City shall be conveyed to the City, and the term of tax abatement shall commence for such portions. The term of the tax abatement for the Property and each portion of Financed Equipment and Financed Facility shall be Twelve (12) years beginning in the year in which such portion was conveyed to the City. At the end of the twelve-year period of abatement, the Property and the Financed Equipment and Financed Facility will be conveyed back to the Company, and taxing districts will begin receiving the full tax revenue from the Project.
6. For the purposes of calculating the impact of the proposed abatement on real and personal property tax revenues, it is assumed that the Company will maintain at least 150 Jobs on the Property and therefore will not have to pay Additional Rent constituting PILOTs.

7. Taxes on commercial real property and personal property were calculated using the following formula:

$$(\text{Assessed Value} \times \text{Tax Rate})/100$$

8. Assessed value of the Property and Financed Facility was calculated using the following formula:

$$\text{Fair Market Value} \times \text{Assessment Ratio of } 32\%$$

9. Assessed value of the Financed Equipment was calculated using the following formula:

$$(\text{Cost} * \text{Depreciation Factor}) \times \text{Assessment Ratio of } 33.33\%$$

- 10. The most recent equalized assessed value (\$478,420) was obtained from the Randolph County Assessor. The estimated assessed value for the Property used to determine tax revenue if the Project is not completed was calculated using the cost method of valuation and assuming an increase in value of 1% every 2 years.
- 11. To the extent that the actual value of the Property, Financed Facility, and Financed Equipment during and after completion of the Project differs from the figures provided, the impact on tax revenue may be more or less than described in this Plan. The City and the Company accept no responsibility or liability for such impacts or differences.
- 12. For the purposes of calculating the assessed value of the real property (the completed Financed Facility, including land and improvements) if the Project is completed, it is assumed that the value of such real property will remain flat during the abatement period because any increase in the value of the Property will be offset by depreciation of the Financed Facility.
- 13. It is assumed that the Financed Equipment has an average depreciable life of seven (7) years. The depreciated fair market value of the Financed Equipment is calculated in this Costs/Benefits Analysis using a 7-year Missouri depreciation schedule. In the year of the Financed Equipment's purchase, the fair market value is assumed to be the Financed Equipment's cost. At the end of the year of purchase, a depreciation factor is applied to the cost to determine the value on January 1 of the next year. Thereafter, at the end of each year, the applicable depreciation factor is applied to the original cost to determine the property's value on January 1 of the following year. The table below shows the assumed depreciation factors. After the 7th year, the assumed fair market value of the property for personal property taxation purposes remains at 10% of its original purchase price. The attached analysis assumes that no personal property is replaced during the term of the proposed tax abatement.

Year	MO	Depreciation
After	Factor	Rate
Purchase		
1	89.29%	10.71%
2	70.16%	19.13%
3	55.13%	15.03%
4	42.88%	12.25%
5	30.63%	12.25%
6	18.38%	12.25%
7	10.00%	8.38%

14. For purposes of determining the impact of the sales tax exemption, it is assumed that:
- (a) The applicable sales tax rate is 8.475%, of which 4.225% is allocable to the State of Missouri, 2.500% is allocable to the City of Moberly, 1.250% is allocable to Randolph County, and 0.500% is allocable to Randolph County Ambulance District. It is assumed that these rates remain constant through the period during which all purchases of equipment and personal property for the Project are expected to be made and that all purchase are made in the City.
 - (b) 100% of the qualified construction materials and personal property will be purchased in 2023.
 - (c) Of the total costs of renovation of the Financed Facility, \$1,877,437 will be allocated to construction materials costs.
 - (d) Only personal property not expected to benefit from the statutory manufacturing state and local sales and use tax exemption is included in the sales tax exemption value estimate in this Plan. Manufacturing-related personal property purchases are assumed to be exempt from state and local sales and use tax pursuant to the statutory exemption whether or not the sales tax exemption described in this Plan is provided. However, ultimate classification of the property as manufacturing or non-manufacturing may affect the value of the sales tax exemption.
 - (e) The sales tax exemption analyzed in this Plan will apply only to non-manufacturing personal property purchased as a part of Project development. Based on conversations with the Company, this Plan assumes that \$225,000 of the total expenditures for personal property in connection with the Project will be classified as non-manufacturing. However, some property assumed as manufacturing personal property for purposes of this Plan may not ultimately be classified as manufacturing-related and may therefore be statutorily subject to sales/use tax but will continue to be exempt from local sales and use tax per Chapter 100.
15. The tax rates used in this Plan reflect the rates in effect for the tax year 2022. The tax rates were held constant through the year 2034. Should any taxing district increase or decrease its levy rate during the proposed term of tax abatement, the impact on tax revenue of such taxing district could be more or less, as applicable, than the estimates set forth in this Plan.

EXHIBIT A**The Property - Legal Description**

Parcel No. 07-7.0-26.0-0.0-000-014.000 in the records of the Randolph County, known and numbered as 1855 Robertson Road, Moberly Missouri and partially described as:

Sec: 26.0 Twp: 54 Range: 14 - PT OF SE1/4: BEG 792.75' S & 34.77' W OF NE COR OF SE1/4, TH S 751.68', W 82', SWLY 146.57', SLY 268.12' TO N LINE OF HUNTHAUSEN RD, TH W 479.96', N 1110.26' TO S LINE OF FOWLER RD, TH E 700.10'>

Sec: 26.0 Twp: 54 Range: 14 - PT OF SE1/4: BEG 792.75' S & 34.77' W OF NE COR OF SE1/4, TH S 751.68', W 82', SWLY 146.57', SLY 268.12' TO N LINE OF HUNTHAUSEN RD, TH W 479.96', N 1110.26' TO S LINE OF FOWLER RD, TH E 700.10'>

A total of 16.0 +/- acres.

EXHIBIT B

The Project Location

1855 Robertson Road, Moberly, Missouri



EXHIBIT C

Summary of Project Revenues¹

Taxing Jurisdiction	Total Tax Revenue Without Project (over 12 Year Project Period)*	Total Real Property Tax with Project (applying abatement + PILOTs)	Personal Property Tax with Project (applying abatement + PILOTs)	Combined Tax Revenue Generated by Project **	Difference Project vs. No Project
State of Missouri	\$ 1,775.92	\$ 808.44	\$ 896.98	\$ 1,705.43	\$ (70.49)
City of Moberly	\$ 63,836.01	\$ 29,059.73	\$ 31,929.65	\$ 60,989.38	\$ (2,846.63)
Randolph County General	\$ 12,126.79	\$ 5,520.41	\$ 6,150.32	\$ 11,670.74	\$ (456.05)
County Road and Bridge	\$ 11,471.47	\$ 5,222.09	\$ 5,830.40	\$ 11,052.49	\$ (418.97)
Little Dixie Library District	\$ 14,346.95	\$ 6,531.08	\$ 7,265.57	\$ 13,796.66	\$ (550.29)
Randolph County Amb. Dist.	\$ 48.04	\$ 21.87	\$ -	\$ 21.87	\$ (26.17)
Randolph County Health	\$ 8,602.31	\$ 3,915.99	\$ 4,353.36	\$ 8,269.35	\$ (332.96)
Development Disabilities	\$ 8,500.65	\$ 3,869.71	\$ 4,320.47	\$ 8,190.18	\$ (310.47)
Moberly Special Road Dist.	\$ 5,557.31	\$ 2,529.83	\$ 2,747.76	\$ 5,277.59	\$ (279.73)
Moberly School Dist.	\$ 283,702.31	\$ 129,148.29	\$ 141,873.03	\$ 271,021.32	\$ (12,681.00)
Moberly Area Comm. College	\$ 19,943.10	\$ 9,078.59	\$ 9,950.55	\$ 19,029.14	\$ (913.96)
Commercial Surtax (combined jurisdictions) ***	\$ 1,542.38	\$ 1,826.38	N/A	\$ 1,826.38	\$ 284.00
	<u>\$ 431,453.25</u>	<u>\$ 197,532.41</u>	<u>\$ 215,318.11</u>	<u>\$ 412,850.52</u>	<u>\$ (18,602.73)</u>

* This calculation of annual impact reflects the assumption that no development would occur at the Property without tax abatement.

** Based on new additional investment of \$1,877,437 in acquisition and improvements to real property (total \$3,827,437) and \$44,894,112 of personal property placed in service on the Project site.

*** Includes only those jurisdictions not levying general property taxes within Project area; commercial surtax revenue is included in general revenue above for those jurisdictions levying a general property tax within Project area.

¹ Costs associated with the Project are discussed and analyzed in Part X of this Plan.

EXHIBIT D

Estimated Total Tax Revenue with No Project (Real and Personal Property)

Assessed Value				\$ 478,120	\$ 478,120	\$ 482,901	\$ 482,901	\$ 487,730	\$ 487,730	\$ 492,608	\$ 492,608
Taxing Jurisdiction	Tax Rate Per \$100	Comm'l Surtax	Total Tax Per \$100	2023	2024	2025	2026	2027	2028	2029	2030
State of Missouri	0.0300	0.000188	0.03019	\$ 144.34	\$ 144.34	\$ 145.78	\$ 145.78	\$ 147.24	\$ 147.24	\$ 148.71	\$ 148.71
City of Moberly	1.0679	0.017229	1.08513	\$ 5,188.22	\$ 5,188.22	\$ 5,240.10	\$ 5,240.10	\$ 5,292.50	\$ 5,292.50	\$ 5,345.43	\$ 5,345.43
City of Higbee	-	0.000328	0.00033	\$ 1.57	\$ 1.57	\$ 1.58	\$ 1.58	\$ 1.60	\$ 1.60	\$ 1.62	\$ 1.62
Village of Cairo	-	0.000458	0.00046	\$ 2.19	\$ 2.19	\$ 2.21	\$ 2.21	\$ 2.23	\$ 2.23	\$ 2.26	\$ 2.26
City of Clark	-	0.000245	0.00025	\$ 1.17	\$ 1.17	\$ 1.19	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.21	\$ 1.21
City of Clifton Hill	-	0.000060	0.00006	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30
City of Huntsville	-	0.001255	0.00126	\$ 6.00	\$ 6.00	\$ 6.06	\$ 6.06	\$ 6.12	\$ 6.12	\$ 6.18	\$ 6.18
Village of Jacksonville	-	0.000018	0.00002	\$ 0.08	\$ 0.08	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09
Village of Renick	-	0.000053	0.00005	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.26	\$ 0.26	\$ 0.26	\$ 0.26
Randolph County General	0.2057	0.000440	0.20614	\$ 985.59	\$ 985.59	\$ 995.45	\$ 995.45	\$ 1,005.41	\$ 1,005.41	\$ 1,015.46	\$ 1,015.46
County Road and Bridge	0.1950	-	0.19500	\$ 932.33	\$ 932.33	\$ 941.66	\$ 941.66	\$ 951.07	\$ 951.07	\$ 960.58	\$ 960.58
County Road and Bridge: Moberly	-	0.005476	0.00548	\$ 26.18	\$ 26.18	\$ 26.44	\$ 26.44	\$ 26.71	\$ 26.71	\$ 26.98	\$ 26.98
County Road and Bridge: Common #1	-	0.000091	0.00009	\$ 0.43	\$ 0.43	\$ 0.44	\$ 0.44	\$ 0.44	\$ 0.44	\$ 0.45	\$ 0.45
Little Dixie Library District	0.2430	0.000879	0.24388	\$ 1,166.04	\$ 1,166.04	\$ 1,177.70	\$ 1,177.70	\$ 1,189.47	\$ 1,189.47	\$ 1,201.37	\$ 1,201.37
Randolph County Amb. Dist.	0.0000	0.000817	0.00082	\$ 3.90	\$ 3.90	\$ 3.94	\$ 3.94	\$ 3.98	\$ 3.98	\$ 4.02	\$ 4.02
Randolph County Health	0.1456	0.000628	0.14623	\$ 699.15	\$ 699.15	\$ 706.14	\$ 706.14	\$ 713.20	\$ 713.20	\$ 720.33	\$ 720.33
Higbee Fire District	-	0.000328	0.00033	\$ 1.57	\$ 1.57	\$ 1.59	\$ 1.59	\$ 1.60	\$ 1.60	\$ 1.62	\$ 1.62
Development Disabilities	0.1445	-	0.14450	\$ 690.88	\$ 690.88	\$ 697.79	\$ 697.79	\$ 704.77	\$ 704.77	\$ 711.82	\$ 711.82
Moberly Special Road Dist.	0.0919	0.002567	0.09447	\$ 451.67	\$ 451.67	\$ 456.18	\$ 456.18	\$ 460.74	\$ 460.74	\$ 465.35	\$ 465.35
Common Road District	-	0.000096	0.00010	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.47	\$ 0.47	\$ 0.47	\$ 0.47
Moberly School Dist.	4.7450	0.077570	4.82257	\$ 23,057.67	\$ 23,057.67	\$ 23,288.25	\$ 23,288.25	\$ 23,521.13	\$ 23,521.13	\$ 23,756.34	\$ 23,756.34
Chariton R-4 School District	-	0.000024	0.00002	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12
Northeast R-4 School District	-	0.008897	0.00890	\$ 42.54	\$ 42.54	\$ 42.96	\$ 42.96	\$ 43.39	\$ 43.39	\$ 43.83	\$ 43.83
Renick R-5 School District	-	0.001830	0.00183	\$ 8.75	\$ 8.75	\$ 8.84	\$ 8.84	\$ 8.92	\$ 8.92	\$ 9.01	\$ 9.01
Sturgeon R-5 School District	-	0.002155	0.00216	\$ 10.31	\$ 10.31	\$ 10.41	\$ 10.41	\$ 10.51	\$ 10.51	\$ 10.62	\$ 10.62
Higbee R-8 School District	-	0.001942	0.00194	\$ 9.29	\$ 9.29	\$ 9.38	\$ 9.38	\$ 9.47	\$ 9.47	\$ 9.57	\$ 9.57
Westran R-1 School District	-	0.000217	0.00022	\$ 1.04	\$ 1.04	\$ 1.05	\$ 1.05	\$ 1.06	\$ 1.06	\$ 1.07	\$ 1.07
Moberly Area Comm. College	0.3328	0.006207	0.33901	\$ 1,620.86	\$ 1,620.86	\$ 1,637.07	\$ 1,637.07	\$ 1,653.44	\$ 1,653.44	\$ 1,669.97	\$ 1,669.97
	7.2014	0.13000	7.33140	\$ 35,052.89	\$ 35,052.89	\$ 35,403.42	\$ 35,403.42	\$ 35,757.45	\$ 35,757.45	\$ 36,115.03	\$ 36,115.03

Estimated Total Tax Revenue with No Project (Real and Personal Property)

Taxing Jurisdiction	Tax Rate Per \$100	Comm'l Surtax	Total Tax Per \$100	\$ 497,534	\$ 497,534	\$ 502,509	\$ 502,509	Total
				2031	2032	2033	2034	
State of Missouri	0.0300	0.000188	0.03019	\$ 150.20	\$ 150.20	\$ 151.70	\$ 151.70	\$ 1,775.92
City of Moberly	1.0679	0.017229	1.08513	\$ 5,398.88	\$ 5,398.88	\$ 5,452.87	\$ 5,452.87	\$ 63,836.01
City of Higbee	-	0.000328	0.00033	\$ 1.63	\$ 1.63	\$ 1.65	\$ 1.65	\$ 19.30
Village of Cairo	-	0.000458	0.00046	\$ 2.28	\$ 2.28	\$ 2.30	\$ 2.30	\$ 26.95
City of Clark	-	0.000250	0.00025	\$ 1.22	\$ 1.22	\$ 1.23	\$ 1.23	\$ 14.44
City of Clifton Hill	-	0.000060	0.00006	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 3.56
City of Huntsville	-	0.001255	0.00126	\$ 6.25	\$ 6.25	\$ 6.31	\$ 6.31	\$ 73.84
Village of Jacksonville	-	0.000018	0.00002	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 1.04
Village of Renick	-	0.000053	0.00005	\$ 0.26	\$ 0.26	\$ 0.26	\$ 0.26	\$ 3.10
Randolph County General	0.2057	0.000440	0.20614	\$ 1,025.61	\$ 1,025.61	\$ 1,035.87	\$ 1,035.87	\$ 12,126.79
County Road and Bridge	0.1950	0.000000	0.19500	\$ 970.19	\$ 970.19	\$ 979.89	\$ 979.89	\$ 11,471.47
County Road and Bridge: Moberly	-	0.005476	0.00548	\$ 27.25	\$ 27.25	\$ 27.52	\$ 27.52	\$ 322.16
County Road and Bridge: Common #1	-	0.000091	0.00009	\$ 0.45	\$ 0.45	\$ 0.46	\$ 0.46	\$ 5.33
Little Dixie Library District	0.2430	0.000879	0.24388	\$ 1,213.38	\$ 1,213.38	\$ 1,225.52	\$ 1,225.52	\$ 14,346.95
Randolph County Amb. Dist.	0.0000	0.000817	0.00082	\$ 4.06	\$ 4.06	\$ 4.10	\$ 4.10	\$ 48.04
Randolph County Health	0.1456	0.000628	0.14623	\$ 727.53	\$ 727.53	\$ 734.81	\$ 734.81	\$ 8,602.31
Higbee Fire District	-	0.000328	0.00033	\$ 1.63	\$ 1.63	\$ 1.65	\$ 1.65	\$ 19.32
Development Disabilities	0.1445	0.000000	0.14450	\$ 718.94	\$ 718.94	\$ 726.13	\$ 726.13	\$ 8,500.65
Moberly Special Road Dist.	0.0919	0.002567	0.09447	\$ 470.01	\$ 470.01	\$ 474.71	\$ 474.71	\$ 5,557.31
Common Road District	-	0.000096	0.00010	\$ 0.48	\$ 0.48	\$ 0.48	\$ 0.48	\$ 5.63
Moberly School Dist.	4.7450	0.077570	4.82257	\$ 23,993.91	\$ 23,993.91	\$ 24,233.85	\$ 24,233.85	\$ 283,702.31
Chariton R-4 School District	-	0.000024	0.00002	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 1.43
Northeast R-4 School District	-	0.008897	0.00890	\$ 44.26	\$ 44.26	\$ 44.71	\$ 44.71	\$ 523.37
Renick R-5 School District	-	0.001830	0.00183	\$ 9.10	\$ 9.10	\$ 9.19	\$ 9.19	\$ 107.63
Sturgeon R-5 School District	-	0.002155	0.00216	\$ 10.72	\$ 10.72	\$ 10.83	\$ 10.83	\$ 126.79
Higbee R-8 School District	-	0.001942	0.00194	\$ 9.66	\$ 9.66	\$ 9.76	\$ 9.76	\$ 114.27
Westran R-1 School District	-	0.000217	0.00022	\$ 1.08	\$ 1.08	\$ 1.09	\$ 1.09	\$ 12.78
Moberly Area Comm. College	0.3328	0.006207	0.33901	\$ 1,686.67	\$ 1,686.67	\$ 1,703.54	\$ 1,703.54	\$ 19,943.10
	7.2014	0.13000	7.33140	\$ 36,476.18	\$ 36,476.18	\$ 36,840.94	\$ 36,840.94	\$ 431,306.47

EXHIBIT E

Projected Real Property Tax Revenue With Abatement

Estimated "True Value in Money" of Real Property			\$	3,827,437								
Assessment Rate				32.00%								
Estimated Assessed Value **			\$	1,224,780	\$	1,224,780	\$	1,249,275	\$	1,249,275	\$	1,274,261
PILOT requirement applied				\$0		\$0		\$0		\$0		\$0
		Commercial	Total									
	Tax Rate	Surtax Per	Tax Per									
Taxing Jurisdiction	Per \$100	\$100	\$100	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>			
State of Missouri	0.0300	0.000188	0.03019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City of Moberly	1.0679	0.017229	1.08513	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City of Higbee	-	0.000328	0.00033	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Village of Cairo	-	0.000458	0.00046	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City of Clark	-	0.000245	0.00025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City of Clifton Hill	-	0.000060	0.00006	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City of Huntsville	-	0.001255	0.00126	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Village of Jacksonville	-	0.000018	0.00002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Village of Renick	-	0.000053	0.00005	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Randolph County General	0.2057	0.000440	0.20614	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County Road and Bridge	0.1950	-	0.19500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County Road and Bridge: Moberly	-	0.005476	0.00548	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County Road and Bridge: Common #1	-	0.000091	0.00009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Little Dixie Library District	0.2430	0.000879	0.24388	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Randolph County Amb. Dist.	0.0000	0.000817	0.00082	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Randolph County Health	0.1456	0.000628	0.14623	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Higbee Fire District	-	0.000328	0.00033	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Development Disabilities	0.1445	-	0.14450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Moberly Special Road Dist.	0.0919	0.002567	0.09447	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Common Road District	-	0.000096	0.00010	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Moberly School Dist.	4.7450	0.077570	4.82257	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Chariton R-4 School District	-	0.000024	0.00002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Northeast R-4 School District	-	0.008897	0.00890	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Renick R-5 School District	-	0.001830	0.00183	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sturgeon R-5 School District	-	0.002155	0.00216	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Higbee R-8 School District	-	0.001942	0.00194	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Westran R-1 School District	-	0.000217	0.00022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Moberly Area Comm. College	0.3328	0.006207	0.33901	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	7.2014	0.1300	7.3314	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Projected Real Property Tax Revenue With Abatement

Estimated EAV PILOTs Required	\$ 1,299,746 \$0	\$ 1,299,746 \$0	\$ 1,325,741 50%	\$ 1,325,741 50%	\$ 1,352,256 50%	\$ 1,352,256 50%	
Project Year	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	Cumulative Totals
State of Missouri	\$ -	\$ -	\$ 200.11	\$ 200.11	\$ 204.11	\$ 204.11	\$ 808.44
City of Moberly	\$ -	\$ -	\$ 7,193.00	\$ 7,193.00	\$ 7,336.86	\$ 7,336.86	\$ 29,059.73
City of Higbee	\$ -	\$ -	\$ 2.18	\$ 2.18	\$ 2.22	\$ 2.22	\$ 8.79
Village of Cairo	\$ -	\$ -	\$ 3.04	\$ 3.04	\$ 3.10	\$ 3.10	\$ 12.27
City of Clark	\$ -	\$ -	\$ 1.63	\$ 1.63	\$ 1.66	\$ 1.66	\$ 6.57
City of Clifton Hill	\$ -	\$ -	\$ 0.40	\$ 0.40	\$ 0.41	\$ 0.41	\$ 1.62
City of Huntsville	\$ -	\$ -	\$ 8.32	\$ 8.32	\$ 8.49	\$ 8.49	\$ 33.62
Village of Jacksonville	\$ -	\$ -	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.47
Village of Renick	\$ -	\$ -	\$ 0.35	\$ 0.35	\$ 0.36	\$ 0.36	\$ 1.41
Randolph County General	\$ -	\$ -	\$ 1,366.44	\$ 1,366.44	\$ 1,393.77	\$ 1,393.77	\$ 5,520.41
County Road and Bridge	\$ -	\$ -	\$ 1,292.60	\$ 1,292.60	\$ 1,318.45	\$ 1,318.45	\$ 5,222.09
County Road and Bridge: Moberly	\$ -	\$ -	\$ 36.30	\$ 36.30	\$ 37.03	\$ 37.03	\$ 146.65
County Road and Bridge: Common #1	\$ -	\$ -	\$ 0.60	\$ 0.60	\$ 0.61	\$ 0.61	\$ 2.43
Little Dixie Library District	\$ -	\$ -	\$ 1,616.60	\$ 1,616.60	\$ 1,648.94	\$ 1,648.94	\$ 6,531.08
Randolph County Amb. Dist.	\$ -	\$ -	\$ 5.41	\$ 5.41	\$ 5.52	\$ 5.52	\$ 21.87
Randolph County Health	\$ -	\$ -	\$ 969.30	\$ 969.30	\$ 988.69	\$ 988.69	\$ 3,915.99
Higbee Fire District	\$ -	\$ -	\$ 2.18	\$ 2.18	\$ 2.22	\$ 2.22	\$ 8.80
Development Disabilities	\$ -	\$ -	\$ 957.85	\$ 957.85	\$ 977.00	\$ 977.00	\$ 3,869.71
Moberly Special Road Dist.	\$ -	\$ -	\$ 626.19	\$ 626.19	\$ 638.72	\$ 638.72	\$ 2,529.83
Common Road District	\$ -	\$ -	\$ 0.63	\$ 0.63	\$ 0.65	\$ 0.65	\$ 2.56
Moberly School Dist.	\$ -	\$ -	\$ 31,967.40	\$ 31,967.40	\$ 32,606.75	\$ 32,606.75	\$ 129,148.29
Chariton R-4 School District	\$ -	\$ -	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.65
Northeast R-4 School District	\$ -	\$ -	\$ 58.97	\$ 58.97	\$ 60.15	\$ 60.15	\$ 238.25
Renick R-5 School District	\$ -	\$ -	\$ 12.13	\$ 12.13	\$ 12.37	\$ 12.37	\$ 49.00
Sturgeon R-5 School District	\$ -	\$ -	\$ 14.29	\$ 14.29	\$ 14.57	\$ 14.57	\$ 57.72
Higbee R-8 School District	\$ -	\$ -	\$ 12.88	\$ 12.88	\$ 13.13	\$ 13.13	\$ 52.02
Westran R-1 School District	\$ -	\$ -	\$ 1.44	\$ 1.44	\$ 1.47	\$ 1.47	\$ 5.82
Moberly Area Comm. College	\$ -	\$ -	\$ 2,247.18	\$ 2,247.18	\$ 2,292.12	\$ 2,292.12	\$ 9,078.59
	\$ -	\$ -	\$ 48,597.69	\$ 48,597.69	\$ 49,569.64	\$ 49,569.64	\$ 196,334.67

EXHIBIT F

Projected Personal Property Tax Revenue With Abatement

Estimated Cumulative Depreciated Value Subject to Taxation	\$ 44,894,112.00	\$ 40,085,952.60	\$ 31,497,708.98	\$ 24,750,123.95	\$ 19,250,595.23	\$ 13,751,066.51
Assessment Rate	33.30%	33.30%	33.30%	33.30%	33.30%	33.30%
Assessed Value	\$ 14,949,739.30	\$ 13,348,622.22	\$ 10,488,737.09	\$ 8,241,791.27	\$ 6,410,448.21	\$ 4,579,105.15
PILOT requirement applied	N/A					

Taxing Jurisdiction	Tax Rate Per \$100	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
State of Missouri	0.0300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City of Moberly	1.0679	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Randolph County General	0.2057	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County Road and Bridge	0.1950	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Little Dixie Library District	0.2430	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Randolph County Amb. Dist.	0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Randolph County Health	0.1456	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Development Disabilities	0.1445	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Moberly Special Road Dist.	0.0919	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Moberly School Dist.	4.7450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Moberly Area Comm. College	0.3328	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	7.2014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Projected Personal Property Tax Revenue With Abatement (Depreciation Applied)

	2029	2030	2031	2032	2033	2034	Cumulative Totals	Annual Total After Completion
FMV (Depreciated)	\$ 8,251,537.79	\$ 4,489,411.20	\$ 4,489,411.20	\$ 4,489,411.20	\$ 4,489,411.20	\$ 4,489,411.20		
Assessment Rate	33.30%	33.30%	33.30%	33.30%	33.30%	33.30%		
EAV	\$ 2,747,762.08	\$ 1,494,973.93	\$ 1,494,973.93	\$ 1,494,973.93	\$ 1,494,973.93	\$ 1,494,973.93		
PILOT Req'd			50%	50%	50%	50%		
State of Missouri	\$ -	\$ -	\$ 224.25	\$ 224.25	\$ 224.25	\$ 224.25	\$ 896.98	\$ 448.49
City of Moberly	\$ -	\$ -	\$ 7,982.41	\$ 7,982.41	\$ 7,982.41	\$ 7,982.41	\$ 31,929.65	\$ 15,964.83
Randolph County General	\$ -	\$ -	\$ 1,537.58	\$ 1,537.58	\$ 1,537.58	\$ 1,537.58	\$ 6,150.32	\$ 3,075.16
County Road and Bridge	\$ -	\$ -	\$ 1,457.60	\$ 1,457.60	\$ 1,457.60	\$ 1,457.60	\$ 5,830.40	\$ 2,915.20
Little Dixie Library District	\$ -	\$ -	\$ 1,816.39	\$ 1,816.39	\$ 1,816.39	\$ 1,816.39	\$ 7,265.57	\$ 3,632.79
Randolph County Amb. Dist.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Randolph County Health	\$ -	\$ -	\$ 1,088.34	\$ 1,088.34	\$ 1,088.34	\$ 1,088.34	\$ 4,353.36	\$ 2,176.68
Development Disabilities	\$ -	\$ -	\$ 1,080.12	\$ 1,080.12	\$ 1,080.12	\$ 1,080.12	\$ 4,320.47	\$ 2,160.24
Moberly Special Road Dist.	\$ -	\$ -	\$ 686.94	\$ 686.94	\$ 686.94	\$ 686.94	\$ 2,747.76	\$ 1,373.88
Moberly School Dist.	\$ -	\$ -	\$ 35,468.26	\$ 35,468.26	\$ 35,468.26	\$ 35,468.26	\$ 141,873.03	\$ 70,936.51
Moberly Area Comm. College	\$ -	\$ -	\$ 2,487.64	\$ 2,487.64	\$ 2,487.64	\$ 2,487.64	\$ 9,950.55	\$ 4,975.27
	\$ -	\$ -	\$ 53,829.53	\$ 53,829.53	\$ 53,829.53	\$ 53,829.53	\$ 215,318.11	\$ 107,659.05

DEVELOPMENT AGREEMENT

Dated as of _____ 1, 2023

by and among

CITY OF MOBERLY MISSOURI,

MOBERLY AREA ECONOMIC DEVELOPMENT CORPORATION,

and

EQUIPMENTSHARE.COM INC.

Relating to:

**Not to Exceed \$55,000,000
(Aggregate Maximum Principal Amount)
City of Moberly, Missouri
Taxable Industrial Revenue Bonds
(EquipmentShare.com Inc. Manufacturing, Refurbishment and
Distribution Facility Project)
Series 2023**

**DEVELOPMENT AGREEMENT
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DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this “**Agreement**”) is made as of this _____ day of _____, 2023 (the “**Effective Date**”) by and among the CITY OF MOBERLY, MISSOURI, a city of the third classification and Missouri municipal corporation having a principal office at 101 West Reed Street, Moberly, Missouri 65270 (the “**City**”); MOBERLY AREA ECONOMIC DEVELOPMENT CORPORATION, a Missouri nonprofit corporation having a principal office at 115 North Williams Street, Moberly, Missouri 65270 (the “**EDC**”); and EQUIPMENTSHARE.COM INC., a Delaware corporation duly authorized to do business in Missouri and having a principal office at 5710 Bull Run Drive, Columbia, Missouri 65201 (together with its Affiliates, successors and assigns, the “**Company**”). *Capitalized terms used in this Agreement shall have the meanings ascribed to them in Article I of this Agreement.*

RECITALS

A. Section 100.020 of the Revised Statutes of Missouri, as amended, authorizes the City’s governing body to carry out projects for industrial development pursuant to the terms of sections 100.010 to 100.200, inclusive, of the Revised Statutes of Missouri, as amended, and sections 70.210 through 70.220, inclusive, of the Revised Statutes of Missouri, as amended, authorize the City to contract with any private person, firm, association, or corporation for certain purposes which are within the scope of the powers of the City.

B. Article VI, section 27(b) of the Missouri constitution and sections 100.010 through 100.200, inclusive, of the Revised Statutes of Missouri, as amended, further authorize the City to issue and sell revenue bonds for the purpose of paying all or part of the cost of purchasing, constructing or improving any “project” to be leased to a private person or corporation for industrial development purposes.

C. The Company desires to develop the Project on the Property and in support thereof the Company further desires that the City cooperate to provide certain economic incentives for the Project involving the City’s acceptance of conveyance in fee of the Property and issuance of the Bonds to finance the Financed Equipment and the Financed Facilities and, while the Bonds remain outstanding, that the City continue to own the Property, the Project, the Financed Equipment and the Financed Facilities and lease the same to the Company, all as provided in this Agreement.

D. The Project will provide significant private investment and newly created jobs in the City and, accordingly, City is willing to accept conveyance of the Property and to issue the Bonds in support of the Project and seeks the cooperation and assistance of the EDC in the verification of provision by the Company of the Target Jobs, all as contemplated in this Agreement, and the EDC willing to cooperate with the City and to provide the aforesaid assistance to the City and the Project, all subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the above premises, the mutual covenants and agreements contained herein, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I MEANINGS OF TERMS

Section 1.1. Definitions. As used in this Agreement, capitalized words and terms used in this Agreement shall have the following meanings unless the context clearly requires otherwise:

“**Acquisition Fund**” shall mean the “City of Moberly, Missouri, Acquisition Fund - EquipmentShare Manufacturing, Refurbishment and Distribution Facility Project,” together with any accounts and subaccounts therein created in Section 501 of the Indenture.

“**Acts**” shall mean, collectively, article VI, section 27(b) of the Missouri constitution and sections 100.010 through 100.200, inclusive, and 70.210 through 70.220, inclusive, of the Revised Statutes of Missouri, all as from time to time amended.

“**Additional Payment**” shall mean an additional payment made (or deemed made) by the Company to the Trustee with respect to the Bonds from time to time after the initial issuance of the Bonds in accordance with Section 208 of the Indenture, the Bond Purchase Agreement, and the Lease.

“**Affiliate**” shall mean an individual, corporation, association, partnership, limited liability company, joint venture, trust, estate, or other entity or organization, or any other such person or entity which, (i) directly or indirectly, Controls, is in common Control of, or is Controlled by the Company or a parent of the Company or (ii) a majority of the members of the Directing Body of which are members of the Directing Body of the Company.

“**Agreement**” shall mean this Development Agreement dated as of the Effective Date by and among the City, the EDC, and the Company including all duly authorized amendments thereto.

“**Applicable Regulations**” shall mean all federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes including, without limitation, those of the State of Missouri, the City, and the County pertaining to or affecting the Property or any portion thereof or the Project.

“**Bonds**” shall mean, collectively, the City’s Taxable Industrial Revenue Bonds (EquipmentShare.com Inc. Manufacturing, Refurbishment and Distribution Facility Project) Series 2023 of any series issued from time to time pursuant to the Indenture, and subject to the terms of this Agreement, in a maximum total aggregate principal amount of not to exceed \$55,000,000.

“**Bond Counsel**” shall have the meaning and use attributed to that term in the Indenture.

“**Bond Counsel Services**” shall mean professional legal services specifically related to the issuance of the Bonds including, without limitation, coordination, drafting and review of Bond Documents; preparation of a transcript of the proceedings; preparation of notices and, as requested, attendance at meetings at which Bond Documents are approved and adopted; and if warranted and justified under application of customary practices and relevant ethical and legal standards,

rendering of an approving opinion of Bond Counsel for the Bonds regarding the validity and binding effect of the Bonds and the source of payment and security for the Bonds.

“**Bond Documents**” shall mean, collectively, the forms of the Bonds, the Indenture, the Lease, the Bond Purchase Agreement and such other transactional documents as are necessary or convenient to allow the City to issue and secure the Bonds and thereby to obtain the financing of the Project and the Financed Equipment and the Financed Facilities, all as contemplated in this Agreement.

“**Bond Purchase Agreement**” shall mean the agreement dated as of the date of closing on the Bonds, by and through which the City agrees to issue and the Company agrees to purchase the Bonds.

“**Business Day**” shall mean a day that is not a Saturday, Sunday or legal holiday in the State of Missouri. All other references to “days” shall mean calendar days. If the date for performance of any covenant or obligation under this Agreement shall fall on a Saturday, Sunday or legal holiday in the State of Missouri, then the date for performance thereof shall be extended to the next Business Day.

“**City**” shall mean the City of Moberly, Missouri, a city of the third classification and municipal corporation organized and existing under the laws of the State of Missouri and having a principal office at 101 West Reed Street, Moberly, Missouri 65270, its successors and assigns.

“**City Council**” shall mean the duly elected and serving governing body of the City.

“**Closing**” shall mean the closing on the conveyance by the Company to the City of the Property and the contemporaneous issuance by the City of the Bonds.

“**Closing Date**” shall have the meaning and use attributed to this term in the Bond Purchase Agreement.

“**Collector**” means the City Treasurer of the City or his designee or, at the direction of the City, the Collector of Revenue of Randolph County, Missouri.

“**Company**” shall mean EquipmentShare.com Inc., a Delaware corporation duly authorized to do business in Missouri and having a principal office at 5710 Bull Run Drive, Columbia, Missouri 65201, together with its Affiliates, successors and assigns.

“**Control**” shall mean, with respect to any Affiliate, with respect to: (a) a corporation having stock, the ownership, directly or indirectly, of more than 50% of the securities (as defined in Section 2(1) of the Securities Act of 1933, as amended) of any class or classes, the holders of which are ordinarily, in the absence of contingencies, entitled to elect a majority of the Directing Body of such corporation; (b) a not for profit corporation not having stock, having the power to elect or appoint, directly or indirectly, at least a majority of the members of the Directing Body of such corporation; or (c) any other entity, the power to direct the management of such entity through

the ownership of at least a majority of its voting securities or the right to designate or elect at least a majority of the members of its Directing Body, by contract or otherwise.

“**County**” shall mean the County of Randolph, Missouri.

“**Directing Body**” shall mean with respect to: (a) a corporation having stock, such corporation’s board of directors and the owners, directly or indirectly, of more than 50% of the securities (as defined in Section 2(1) of the Securities Act of 1933, as amended) of any class or classes, the holders of which are ordinarily, in the absence of contingencies, entitled to elect a majority of the corporation’s directors (both of which groups shall be considered a Directing Body); (b) a not for profit corporation not having stock, such corporation’s members if the members have complete discretion to elect the corporation’s directors, or the corporation’s directors if the corporation’s members do not have such discretion or if such corporation has no members; and (c) any other entity, its governing board or body.

“**EDC**” shall mean the Moberly Area Economic Development Corporation, a Missouri nonprofit corporation having a principal office at 115 North Williams Street, Moberly, Missouri 65270.

“**Effective Date**” shall mean _____, 2023, the date first set forth in this Agreement.

“**Environmental Laws**” shall mean and include the Resource Conservation and Recovery Act (42 U.S.C. §6901 et seq.), as amended by the Hazardous and Solid Waste Amendments of 1984; the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §9601 et seq.), as amended by the Superfund Amendments and Reauthorization Act of 1986; the Hazardous Materials Transportation Act (49 U.S.C. §5101 et seq.); the Toxic Substances Control Act (15 U.S.C. §2601 et seq.); the Clean Air Act (42 U.S.C. §7401 et seq.); the Clean Water Act (33 U.S.C. §1251 et seq.); the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. §136 et seq.); the Occupational Safety and Health Act (29 U.S.C. §651 et seq.); any state super-lien and environmental clean-up statutes; and all other applicable federal, state and local environmental laws, including, without limitation, obligations under the common law, ordinances, rules, regulations and publications, and any other legal requirements, now or hereafter existing relating to the pollution and protection of the environment, the preservation or reclamation of natural resources, the management or release of Hazardous Substances, or to human health or safety.

“**Financed Equipment**” shall mean collectively, the machinery, equipment, furnishings, information systems hardware, special tools and other personal property acquired or installed or acquired for installation in the Project pursuant to the Lease and paid for in whole or in part from the Acquisition Fund, all as listed from time to time on Exhibit B to the Indenture which exhibit is hereby incorporated by reference in this Agreement as amended and supplemented from time to time as provided in the Indenture, together with all replacements thereof and substitutions therefor.

“**Financed Facilities**” shall mean collectively, the real property improvements at the Property in connection with the Project made or to be made subsequent to the Effective Date pursuant to this Agreement and the Lease and paid for in whole or in part from the Acquisition

Fund, all as further identified and described from time to time on Exhibit A to the Indenture, which exhibit is hereby incorporated by reference in this Agreement.

“Full Time Equivalent (FTE) Job” shall mean either: (i) a regular “full-time employee” performing duties at the Financed Facilities or (ii) in the case of part-time employment, two (2) or more persons performing duties at the Financed Facilities whose aggregate regular weekly hours total at least 35 hours and receiving healthcare and other customary Company benefits; *provided that* neither independent contractors, contract personnel utilized by the Company, nor any employee or agent not permanently based and occupied full time at the Financed Facilities shall constitute a Full Time Equivalent Job for purposes of this Agreement. For purposes of this definition, a “full-time employee” is a regular employee that is paid by salary or that is paid, on the average, for over 35 hours per week at the Financed Facilities and receives healthcare and other customary Company benefits.

“Hazardous Substances” shall mean: (i) those substances (whether solid, liquid or gas), included within the definitions of or identified as “hazardous substances,” “hazardous materials,” or “toxic substances,” in or pursuant to, without limitation, the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. §9601 et seq.), as amended by Superfund Amendments and Reauthorization Act of 1986 (Pub. L. 99-499, 100 Stat. 1613); the Resource Conservation and Recovery Act of 1976 (42 U.S.C., §6901 et seq.); the Clean Water Act (33 U.S.C. §1251 et seq.); the Occupational Safety and Health Act of 1970 (29 U.S.C. §651 et seq.); and the Hazardous Materials Transportation Act, 49 U.S.C. §5101 et seq.; or in the regulations promulgated pursuant to the aforesaid laws, all as amended; (ii) those substances listed in the United States Department of Transportation Table (40 CFR 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) as hazardous substances (40 CFR Part 302 and amendments thereto); (iii) any material, waste, substance, pollutant or contamination which is or contains (A) petroleum, its derivatives, by-products and other hydrocarbons, including crude oil or any fraction thereof, natural gas, or synthetic gas usable for fuel or any mixture thereof; (B) asbestos and/or asbestos-containing materials in any form that is or could become friable; (C) polychlorinated biphenyls; (D) flammable explosives; (E) infectious or medical waste; or (F) radioactive materials; and (iv) such other substances, materials, wastes, pollutants and contaminants which are or become regulated as hazardous, toxic or “special wastes” under applicable local, state or federal law, or the United States government, or which are classified as hazardous, toxic or as “special wastes” under any Environmental Laws.

“Indenture” shall mean the Trust Indenture for the Bonds, together with such amendments and supplements permitted thereto.

“Initial Funding Agreement” shall mean that certain Initial Funding Agreement dated as of February 1, 2022 by and between EDC and the Company.

“Industrial Development Plan” shall mean an Industrial Development Plan and Costs-Benefits Analysis for the Project meeting the requirements of the Acts and specifically of section 100.050 of the Revised Statutes of Missouri, as amended.

“**Jobs**” shall mean the average number of Full Time Equivalent (FTE) Jobs at the Financed Facilities during the applicable Testing Period, as certified annually to the City by the Company subject to verification by the EDC on behalf of the City, all in accordance with Article IV of this Agreement; *provided that*, for purposes of compliance with Section 4.5 of this Agreement, Jobs shall be deemed to be the average, rounded to the nearest whole number, of monthly actual averages of Full Time Equivalent (FTE) Jobs at the Financed Facilities during such Testing Period such that, by way of illustration, if in a particular Testing Period Three (3) months thereof each average 100 Full Time Equivalent (FTE) Jobs, Four (4) months thereof each average 125 Full Time Equivalent (FTE) Jobs, and Five (5) months thereof each average 130 Full Time Equivalent (FTE) Jobs, the number of Jobs for such testing Period shall be 121 as illustrated by the following formula:

$$(100+100+100+125+125+125+125+130+130+130+130+130)/12=120.8 \text{ say } 121$$

“**Land Use Approvals**” shall mean all applicable subdivision, plat, improvement plan, building permit, re-zoning, and other zoning change request approvals, site plan approvals, conditional use permit approvals, design approvals and similar required approvals of the City relating to the use of land and improvements.

“**Lease**” shall mean the lease purchase agreement between the City, as lessor, and the Company, as lessee related to the acquisition and financing of the Project, the Property, the Financed Facilities and the Financed Equipment, as amended and supplemented from time to time in accordance with the Lease, the Indenture, and this Agreement.

“**Notice of Acceptance**” shall mean a written notice from the City to the Company indicating the City’s satisfaction with the due diligence activities conducted pursuant to Section 2.2 of this Agreement and the City’s readiness to accept conveyance of the Property from the Company.

“**Outstanding**” with reference to the Bonds, shall have the meaning and use attributed to that term in the Indenture.

“**Permitted Encumbrances**” shall mean those encumbrances of record on the Project as shown on Schedule B to an Owner’s Policy of Title Insurance issued by the Title Company or other encumbrances accepted by the City in writing.

“**Project**” shall mean, collectively, the renovation and refurbishing of the Property as a construction equipment refurbishment, rental, sales, service and tracking facility including, without limitation, the construction and equipping of the Financed Facilities and the installation of the Financed Equipment all as and when annually accepted by the City in accordance with the Lease and the Indenture, and necessary to facilitate the implementation of the Project which is anticipated to result in significant job creation and capital investment within the City and the region *provided that* during the term of the Bonds, the Project shall be deemed at any time and from time to time to include only those portions of the Property, the Financed Facilities and the Financed Equipment actually conveyed to, accepted by, and then currently held by the City for a maximum period in each case of Twelve (12) years.

“**Property**” shall mean the real property and improvements existing as of the Effective Date comprising a total of approximately Sixteen (16) acres within the corporate limits of the City and known and numbered as 1855 Robertson Road, all as more particularly described in Exhibit C to the Indenture, which exhibit is hereby incorporated by reference in this Agreement.

“**Table**” shall mean the Table of Cumulative Outstanding Principal Amount on the Bonds, as reflected in the records maintained by the Trustee as provided in the Bonds and the Indenture.

“**Target Jobs**” shall mean, in the calendar year following the commencement of operations at the Project, One Hundred Fifty (150), representing the total number of Full Time Equivalent (FTE) Jobs to be provided by the Company at the Financed Facilities in any Testing Period while any Bonds are Outstanding, all as provided in this Agreement.

“**Testing Period**” shall mean (a) the first full calendar year beginning on January 1 and ending on December 31 immediately following the calendar year in which operations are commenced at the Project or January 1, 2024, whichever is earlier; and (b) each full calendar year thereafter during which any Bonds are Outstanding, all as provided in this Agreement.

“**Third Party Action**” shall mean any action, proceeding or demand initiated at any time by a party other than a named party to this Agreement and directed to the City, the EDC, or the Trustee or naming the City, the EDC, or the Trustee or any of their respective officials, officers, agents, attorneys, employees or representatives as a party and arising out of the issuance of the Bonds, the Bond Documents, the Property (but only during the period held in fee by the City), the Project or any portion thereof (but only during the period held in fee by the City), the tax exemptions contemplated by this Agreement, the Lease, or this Agreement, or any portion thereof or any actions taken pursuant to any of the foregoing.

“**Title Company**” shall mean a title insurance company providing services in the County selected by the City with the consent of the Company, which consent shall not be unreasonably withheld or delayed.

“**Title Policy**” shall mean an owner’s policy of title insurance for the Property issued in favor of the City in the amount of the initial issuance of the Bonds issued by the Title Company and containing terms reasonably acceptable to the City and subject to Permitted Encumbrances and such other exceptions as allowed by the City, in the City’s sole discretion.

“**Trustee**” shall mean any trustee or successor under the Indenture.

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.

Section 1.3. Computation of Time. Wherever this Agreement calls for the performance of any act by reference to a day or number of days, to a month or number of months or to a year or number of years, each such computation shall be made based upon calendar days, calendar months, and calendar years, as applicable unless otherwise expressly provided.

**ARTICLE II
CONVEYANCE AND ACCEPTANCE OF THE PROPERTY**

Section 2.1 Conveyances Required; Lease; Company Payments. Contemporaneous with the issuance of the Bonds: (i) the Company shall convey to the City marketable fee simple title to the Property, subject only to Permitted Encumbrances; and (ii) the City shall lease to the Company via the Lease the Property for a term co-terminus with the term of the Bonds, all in accordance with terms and conditions set forth in the Bond Documents. At Closing, the Company shall (i) pay (or receive credit for if pre-paid) as purchase price for the Bonds: (a) all closing costs incurred in connection with the conveyance of the Property contemplated by this Agreement, including charges related to the issuance of the Title Policy; (b) all costs and expenses associated with the preparation and review of this Agreement in accordance with the Initial Funding Agreement; (c) all closing costs, fees and charges associated with issuance of the Bonds; (ii) deliver to the City a special warranty deed and any other necessary instruments of transfer for the Property; and (iii) deliver to the City the Title Policy or a written binding commitment to issue the Title Policy. From time to time, as the Company constructs the Project: (i) the City shall issue in multiple annual series Bonds in aggregate principal amounts in each such series corresponding to the costs of the portions of the Project then completed or installed, but not previously financed or conveyed to the City under this Agreement and the Bond Documents; (ii) using amounts then provided in the applicable accounts within the Acquisition Fund and from no other source whatsoever, the City shall acquire the applicable portions of the Project for the acquisition prices set forth in the Indenture or any applicable supplement thereto; and (iii) the City shall lease to the Company via the Lease or applicable amendments thereto the portions of the Project so acquired for a term co-terminus with the term of the Bonds. The Company and the City each intend that payments made from time to time under the Lease shall at all times be equal to and timed to coincide with the due dates of, and pledged to pay, all applicable principal and interest as the same shall become due and payable with respect to the applicable series of Bonds.

Section 2.2. City’s Due Diligence. Prior to Closing, the City may take the following actions with respect to the Property, which, other than the costs of the Title Policy, shall be at the sole cost and expense of the City:

- (i) Obtain and review a commitment for the Title Policy;
- (ii) Obtain and review a survey of the Property prepared by a licensed Missouri land surveyor; and
- (iii) Perform or obtain such satisfactory inspections as the City deems necessary or appropriate, specifically including, without limitation, an environmental hazard assessment.

The delivery of the Notice of Acceptance shall be deemed to be an acceptance of the results of such inspections and matters and a waiver of any objection by the City as to all such matters.

The Company hereby grants permission to the City and its agents before delivery of the Notice of Acceptance to come upon the Property for the purpose of conducting the activities described in this Section 2.2 at the sole cost, expense, and risk of the City.

Section 2.3. Closing; Company's Representations. Closing on the conveyance of the Property shall be through an escrow with the Title Company acting as escrowee. Conveyance shall be by special warranty deed in a form reasonably acceptable to the City and the Company subject to any lien for real property taxes and assessments for the year in which the Closing occurs, building and zoning laws, ordinances and restrictions, utility easements, recorded easements, rights of way of record, deed restrictions and all other matters of record, use and occupancy restrictions, and rights to coal and other minerals with the right to mine and remove the same. At Closing, the City and the Company shall execute and deliver customary affidavits and such other reasonable documents as may be required by the Title Company and the City and the Company shall each deliver to the other such other documentation as is reasonably requested by such party. The Company hereby represents and warrants to the City and to the EDC, jointly and severally, as of the date of this Agreement and as of the date of Closing as follows:

(i) The Company possesses the full right to convey fee title to the Property without the necessity of obtaining the consent of any person not a signatory to this Agreement and this Agreement constitutes the legal, valid and binding obligation of the Company enforceable against the Company in accordance with the terms hereof;

(ii) The Company possesses good and marketable title to the Property, subject to those exceptions that may be disclosed in any commitment for title insurance obtained by the City and issued by the Title Company for the Property, and free and clear of liens, security interests, encumbrances, leases, options, rights of first refusal and restrictions of every kind and description and any liens pursuant to indebtedness for borrowed money which will be discharged at Closing and there are no leases, options, contracts, maintenance, management, repair or other contracts, equipment leases or other similar agreements of any kind relating to or affecting the Property or any part thereof which will survive the Closing or be binding upon the City. The parties hereby agree that the Company's representations in this Section 2.3(ii) shall be deemed merged into the special warranty deed for the Property to be executed and delivered by the Company at Closing;

(iii) There are no claims, causes of action or litigation or administrative proceedings pending, or to the Company's actual knowledge threatened, in respect to the ownership, operation or condition of the Property or the surface water on the Property or groundwater beneath the Property, including, without limitation, disputes of tenants, employees, government authorities, environmental groups, prior owners, utilities, contractors, adjoining landowners or suppliers of goods and services;

(iv) The Company has not received any notice: (A) from any federal, state, county or municipal governmental authority alleging any fire, health, safety, building,

pollution, environmental, zoning or other violation of law, including, without limitation, any Environmental Law, in respect to the Property or any part thereof which has not been entirely corrected; or (B) from any insurance company of any defects or inadequacies in the portions of the Property or any part thereof which would adversely affect the insurability of the Property or cause the imposition of extraordinary premiums therefor; and

(v) The condition of the portion of the Property do not violate any applicable governmental laws, rules, regulations, ordinances or codes, including, without limitation, any Environmental Law.

The Company shall promptly notify the City if any of the Company's representations under this Section 2.3 are or become untrue immediately upon the Company's discovery thereof.

THE CITY ACKNOWLEDGES AND AGREES THAT THE CITY IS ACQUIRING THE PROPERTY IN "AS IS/WHERE IS" CONDITION WITH ALL FAULTS. OTHER THAN AS EXPRESSLY SET FORTH IN THIS SECTION 2.3, AND ENVIRONMENTAL WARRANTIES SET FORTH OR REFERENCED IN THIS AGREEMENT, THE COMPANY MAKES NO WARRANTY OR REPRESENTATION WHATSOEVER REGARDING THE PROPERTY, INCLUDING, WITHOUT LIMITATION, EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE RELATIVE TO THE PROPERTY.

ARTICLE III CHAPTER 100 BONDS; LEASE; TARGET JOBS

Section 3.1. Terms of Bonds. Subject to the terms of this Agreement and the Bond Purchase Agreement, the City shall issue the Bonds in multiple annual series as evidenced by endorsements (each such endorsement after the initial issuance of the Bonds to be accompanied by an Additional Payment) in principal amounts as set forth from time to time on the Table, all in accordance with Section 208 of the Indenture, in the maximum total aggregate principal amount of not to exceed \$55,000,000; *provided that* (i) the terms of each series of or endorsements to the Bonds issued pursuant to this Section 3.1 (and the accompanying period of ownership by the City of the Property or portion of the Financed Facilities or Financed Equipment to which such issuance of Bonds or Additional Payment pertains) shall be for a maximum period of Twelve (12) years after the date of such endorsement set forth on the Table, it being the intent of the City and the Company that the full value of the Property and all materials, construction, and equipment purchased by the Company for the Financed Facilities and Financed Equipment shall be exempt from all State of Missouri, City and County property taxes from the time ownership of such Property, Financed Facilities, and Financed Equipment or portion thereof is transferred to the City and continuing for a Twelve (12) year period beginning in the calendar year following the date of such transfer; and (ii) the initial issuance of the Bonds shall occur contemporaneous with the conveyance by the Company to the City of the Property. Pursuant to the Initial Funding Agreement, the City has selected Bond Counsel, and, if the City desires to do so, the City may select such financial advisors and consultants as the City deems necessary from time to time for the issuance of the Bonds, the fees of Bond Counsel and such additional professional consultants

hired by the City to be paid pursuant to the terms of the Initial Funding Agreement and this Section 3.1. The City through Bond Counsel shall prepare all documents, including the Industrial Development Plan, required by the Acts, applicable Missouri law or otherwise necessary or desirable for issuance of the Bonds. At Closing, the Company shall pay to the Trustee for the account of the City or EDC, as directed, (A) all closing, recording and titling costs incurred in connection with the conveyance of the Property to the City and the leasing of the Property from the City as contemplated by this Agreement, including charges related to the issuance of any title policy issued with respect to the Property, (B) all costs and expenses of EDC set forth in the Initial Funding Agreement and remaining unpaid; and (C) all Costs of Issuance (as that term is used and defined in the Indenture) of the initial issuance of Bonds; and, in consideration of the foregoing, the City shall issue the initial series of the Bonds; *provided that* in the event for any reason this Agreement or the Project is terminated by the Company prior to Closing and payment of all amounts due under the Initial Funding Agreement, the Company agrees to pay in addition to amounts indicated in the Initial Funding Agreement fees and expenses for Bond Counsel Services actually provided based upon time and expenses actually incurred through the date of termination at the firm's then current standard hourly rates. The Bonds shall bear interest at such rates, shall be subject to redemption and shall have such terms as the City shall reasonably determine. The Bonds shall be secured solely by the payments under the Lease, and in no way shall the City have liability to make any payment with respect to the Bonds except from amounts credited to or received by the City under the Lease and other Bond Documents. Other than the security interests in the Lease granted to the Trustee pursuant to the Indenture in connection with the issuance of the Bonds, the City may not and will not otherwise encumber, pledge or grant any other security interest in or with respect to the Financed Equipment, the Financed Facilities, the Property or any portion thereof, or the Project.

Section 3.2. Lease of the Property, Project; Periodic Company Conveyances. On the Closing Date the City shall lease the Property to the Company as provided in and subject to the terms of the Lease. From time to time, as the Company constructs the Project or upon substantial completion thereof, all at the option and reasonable discretion of the Company (i) the Company shall convey to the City by special warranty deed or applicable amendment thereto, or by bill of sale, as applicable, the portions of the Project then completed or installed, but not previously financed or as substantially completed, as the Company elects; *provided that* any such election shall be made not more frequently than annually on or about but not later than December 1 in any year, and (ii) the City shall lease to the Company via supplements to the Lease the portions of the Project so conveyed for the term set forth in the Lease and co-terminus with the term of the applicable series of Bonds. The Company and the City each intend that payments made from time to time under the Lease as supplemented from time to time shall at all times be equal to and timed to coincide with the due dates of, and pledged to pay, all applicable principal and interest as the same shall become due and payable with respect to the Bonds. Upon the maturity of the Bonds as provided in Section 3.1 of this Agreement, the City shall promptly convey to the Company by special warranty deed or by bill of sale, as applicable, and at no cost to the Company other than the costs provided in the Indenture and the Lease, together with the costs of recording any such deed or bill of sale, the Property and the Project and shall notify the County's assessor of such conveyance. The City hereby represents and warrants that during the term of the Lease the City shall not take any action inconsistent with the Company's rights under the Lease nor cause by City action an encumbrance on the Property other than that which may have existed as of the Closing

Date. At the time of the termination of the Lease and conveyance of the Property the Company shall have the right, but not the obligation to purchase title insurance at the Company's sole cost and expense.

Section 3.3. Obligations with Respect to Tax Forbearance. The Company anticipates that upon conveyance to and titling in the name of the City of the Property and, from time to time, the Financed Facilities and the Financed Equipment in accordance with Section 3.2 of this Agreement, the Property, the Financed Facilities and the Financed Equipment will be exempt from property taxes (whether real, personal or otherwise) levied by any applicable taxing jurisdiction for so long as the City continues to own the Property, the Financed Facilities, or the Financed Equipment. During the period the City owns the Property, the Financed Facilities or the Financed Equipment, the City agrees to take all actions within the City's control to obtain and maintain in effect such exemption from property taxes related to the Property, the Financed Facilities and the Financed Equipment or portions thereof then owned by the City, including any filings required with any governmental authorities; *provided, however, that* neither the City nor the EDC is guaranteeing the exemption from taxation of the City's fee interest in the Property, the Financed Facilities or the Financed Equipment or any portion thereof or of the leasehold interest of the Company therein as contemplated by the issuing of the Bonds, and the parties hereto acknowledge and agree that neither the City nor EDC nor their respective officials, officers, directors, agents, attorneys or employees, shall be liable for any failure of the State of Missouri, any agency thereof or any other taxing authority, or of any court of competent jurisdiction to recognize any exemption contemplated in this Section 3.3 or by this Agreement. In the event a levy or assessment of property taxes is imposed on the Property, the Financed Facilities or the Financed Equipment, the City, at the Company's written request and expense, shall fully cooperate with the Company in all commercially reasonable ways to prevent or remove any such levy or assessment; *provided, however, that* the City shall not be liable for any costs or expenses resulting from such cooperation and may withhold cooperation with the Company until evidence is provided, to the City's reasonable satisfaction, that demonstrates that the City shall not incur such costs. The City and the Company each covenant and agree that the property tax exemption contemplated in this Agreement by the issuance of the Bonds shall only apply to the City's fee interest in the Property, the Financed Equipment and the Financed Facilities. Any property taxes levied against the interest of the Company in the Property or the Project by any taxing jurisdiction shall be and remain solely the responsibility of the Company. In the event such a levy or assessment should occur, the City shall, at the request and expense of the Company, fully cooperate with the Company in all commercially reasonable ways to prevent and/or challenge such levy or assessment. In the event that it is finally determined by a court of competent jurisdiction that all or any part the Project, the Lease, the Bond Documents or any portion thereof, the Bonds or any endorsement thereto, or this Agreement, shall be declared invalid or unconstitutional in whole or in part such that the Company is prevented from enjoying the rights and privileges of the Company hereunder, the City, upon written request and at the expense of the Company, shall take such lawful steps to make available to the Company and the Property such alternative property tax relief available pursuant to then-current Missouri law for a duration and in an amount to provide and restore to the Company to the extent lawfully available, the economic benefit to the Company of this Article III.

Section 3.4. Payments in Lieu of Taxes; Company's Obligations; City Remedies for Non-Payment. During the term of the Lease, the Company shall make with respect to the Property

payments in lieu of taxes (each a “**PILOT**”) indicated on the schedule below, as applicable, of that amount specified or that percentage which would have been levied and collected on the land and improvements to such Property and on the personalty located or installed therein or thereon in such year as determined from time to time by the Randolph County Assessor. At any time during the term of the Lease reimbursements pursuant to section 100.050.4 of the Revised Statutes of Missouri, as amended, or successor enactments are required to be made, the Company shall be and shall remain solely responsible for making such reimbursements as and when due and the Company shall indemnify, defend and hold City, the EDC and their respective officials, agents, attorneys, employees and representatives acting in any capacity harmless from and against any action, proceeding, claim or demand initiated at any time by any party arising out of any reimbursement claimed, demanded or paid pursuant to section 100.050.4 of the Revised Statutes of Missouri, as amended, or successor enactments.

Schedule of Required Payments in Lieu of Taxes

Lease Year	Lease Term Start Date	Abatement Year	% Exemption	% PILOT Required ¹
1	____/____/2023	1	N/A	-0-
2	1/1/2024	2	100%	-0-
3	1/1/2025	3	100%	-0-
4	1/1/2026	4	100%	-0-
5	1/1/2027	5	100%	-0-
6	1/1/2028	6	100%	-0-
7	1/1/2029	7	100%	-0-
8	1/1/2030	8	100%	-0-
9	1/1/2031	9	50%	50% ²
10	1/1/2032	10	50%	50%
11	1/1/2033	11	50%	50%
12	1/1/2034	12	50%	50%

¹ Lease Term ends on the earlier of (i) December 31, 2034 or (ii) with respect to each portion of the Bonds represented by an annual endorsement of principal, December 1 of that year which is twelve (12) years from the year of such annual endorsement as set forth on the Table to which an Additional Payment/Principal Amount Advanced (all as provided in Section 208(e) of the Indenture) pertains, unless earlier terminated in accordance with its terms.

² Whether or not the Project is completed and conveyed in sequential phases, the percentage of PILOTs due in any year shall apply to all portions of the Property, the Financed Facilities, and the Financed Equipment then accepted and held in fee by the City. Thus, each portion of the Project will obtain a maximum 12 year abatement.

Payments in lieu of taxes required under this Section 3.4 shall be made as provided in section 100.050.3 of the Revised Statutes of Missouri, amended, and shall be due and payable to the Collector not later than November 30 in the calendar year due. The Company, for itself and its successors and assigns, hereby covenants and warrants to the City that the Company shall make payment promptly to the Collector upon notice of all payments in lieu of taxes as and when due from time to time under this Agreement. The obligation to make payments in lieu of taxes including, without limitation, any and all additional payments in lieu of taxes required pursuant to Article III of this Agreement, shall constitute a personal obligation of the Company and a lien against the Property and the Project, enforceable by the City in the City's sole discretion: (a) in the same manner as is provided for general real property taxes, (b) in the same manner as provided in section 67.469 of the Revised Statutes of Missouri, as amended, or (c) any other means provided by law for the enforcement of liens, as the City may elect and the City and the Company each further agree that any unsatisfied obligation to make payments in lieu of taxes under this Agreement shall remain a lien on the Property and the Project until paid in full through voluntary payment by the Company or through collection by the City as provided in this Section 3.4. The City shall be entitled to record a notice of lien in the records of the Randolph County Recorder of Deeds against the Property and the Project if any payment in lieu of taxes is not paid within thirty (30) days of notice by the City to the Company. In the event the Company fails to pay any such payment in lieu of taxes within one hundred eighty (180) days of notice by the City to the Company, the City, in the City's sole and absolute discretion and in addition to any other remedies that may be available to the City at law or in equity, may declare the Lease in default, immediately invoke the Company's obligation under Section 3.7 of this Agreement to purchase the Property, the Project, the Financed Facilities and the Financed Equipment and, upon conveyance of the Property, the Project, the Financed Facilities and the Financed Equipment to the Company (which the Company hereby agrees to accept) and defeasance and cancellation of the Bonds, terminate this Agreement and any further rights of the Company to further property tax relief.

Section 3.5. Maintenance of Target Jobs Required; Payments in Lieu of Taxes as Additional Rent. The parties hereto contemplate and intend that, notwithstanding the term of the Bonds and the duration of the City's fee interests in the Property, or any portions of the Financed Facilities or the Financed Equipment or anything else in this Agreement to the contrary, that the Company shall enjoy property tax relief with respect to the Property, the Financed Equipment, and the Financed Facilities beginning at the time any portion of the Property, such Financed Equipment, or such Financed Facilities is conveyed to the City (it being understood that the intent of this Agreement is that the entire Project shall be so acquired by the City and held by the City) and continuing thereafter through the end of a period of Twelve (12) years from the date such portion of the Property, the Financed Facilities or the Financed Equipment is conveyed to and accepted by the City, all as further provided in the Indenture. The parties hereto further acknowledge and agree that the Company anticipates the creation of at least one hundred fifty (150) new Full Time Equivalent (FTE) Jobs at the Property and the Financed Facilities resulting from the Project and that the creation of such new Full Time Equivalent (FTE) Jobs constitutes a material inducement to the City and the EDC to enter into this Agreement and to the City to issue the Bonds in accordance with this Agreement. Accordingly, and to assure the foregoing, the Company hereby agrees that, with respect to each Testing Period, the Company shall, notwithstanding any tax exemption or abatement contemplated by this Agreement, make with respect to the Financed Facilities and Financed Equipment which are titled in the name of the City

on January 1 of such calendar year, such payments in lieu of taxes as are required by this Section 3.5, if any, as Additional Rent under the Lease no later than April 15 of the year following each Testing Period. Such Additional Rent, if any, shall be based upon the number of Full Time Equivalent (FTE) Jobs at the Financed Facilities in the applicable Testing Period as certified by the Company to the City and the EDC in accordance with the following procedure and schedule:

(i) On or before each January 31st following the end of each Testing Period, the Company shall determine and certify to the City and the EDC in an annual report the number of Jobs at the Facilities during the applicable Testing Period. If the EDC so desires, the EDC may verify the number of Jobs certified in such report, *provided that* in the case of any such verification activities EDC shall notify the Company and the City in writing of the results of such activities on or before the 60th day following the Company’s submission of the applicable report. If the EDC provides no such notice on or before such 60th day, the Company’s report shall be deemed verified and accurate as certified for purposes of this Section 3.4; and

(ii) In the event in any such Testing Period the number of Jobs is less than the Target Jobs, the Company shall make with respect to such Testing Period not later than April 15 of the calendar year following such Testing Period as Additional Rent under the Lease a payment in lieu of taxes which shall be equal to the amount which would have been levied and collected upon the basis of the “true value in money” of such Property, Financed Facilities and Financed Equipment then titled in the name of the City during such Testing Period, as determined from time to time in accordance with applicable law including laws pertaining to re-assessment and rights of appeal applicable to real and personal property assessments. Such Additional Rent shall be calculated as follows: the “true value in money” of the land, improvements, and personalty constituting the Project and titled in the name of the City determined as aforesaid (i) multiplied by 0.32 (in the case of the Property and the Financed Facilities) or 0.33 (in the case of the Financed Equipment); (ii) divided by \$100; (iii) multiplied by the combined ad valorem levies for all affected taxing jurisdictions; and (iv) multiplied by the fraction resulting from the number of Target Jobs minus the number of Jobs at the Financed Facilities as certified by the Company and verified by the EDC divided by the number of Target Jobs. By way of illustration, the applicable calculation formula is set forth below:

$$\begin{aligned} & \text{“true value in money”} \times 0.32/0.33 \div \$100 \times \text{combined ad valorem levy amount} \times \\ & \quad (\text{Target Jobs} - \text{Jobs, subject to verification}) \div \text{Target Jobs} \\ & \quad = \text{Additional Rent payment;} \end{aligned}$$

provided that, in the event that in any Testing Period the number of Jobs equals or exceeds the Target Jobs, no such calculation shall be performed for such year and no Additional Rent in the form of payment in lieu of taxes shall be required for such year; and *provided further that* in the event of a sustained period of significant decline in the level of aggregate economic activity within the United States or the State of Missouri (as distinguished from (a) business or other decisions within the discretion or control of the Company or of Affiliates, including, without limitation, parent, assignees, subsidiaries, or nominees or any of them; or (b) other external factors not related to decline in national or state-wide

economic activity) and only in such event, which results in a substantial reduction in the number of Jobs at the Financed Facilities during a Testing Period, the Company may request in a writing specifying and documenting the conditions which affect or result in the reduction of Jobs submitted to the City Council that, notwithstanding the Company's failure to meet Target Job requirements during such Testing Period, the City waive or reduce the amount of Additional Rent due during for Testing Period and the City Council, upon due consideration and a finding in its sole discretion that: (i) a sustained period of significant decline in the level of aggregate national or state-wide economic activity has occurred; (ii) that such decline has caused a substantial reduction in the number of Jobs at the Financed Facilities; and (iii) that such reduction is not due to business or other decisions within the discretion or control of the Company, or of its Affiliates, parent, assignees, subsidiaries, or nominees or other external factors not related to decline in national economic activity, may waive or reduce such amount of Additional Rent due during for such Testing Period.

Additional Rent payments required and made under this Section 3.5 shall be and shall be deemed to be payments in lieu of taxes and shall be made and distributed as provided in section 100.050.3 of the Revised Statutes of Missouri, as amended. The obligation to make the foregoing payments in lieu of taxes shall constitute a lien against the Property, the Financed Facilities and the Financed Equipment or portions thereof to which such obligation applies, enforceable by the City and subject to the same remedies for non-payment as provided in Section 3.4 of this Agreement; *provided, however, that* notwithstanding anything in this Agreement to the contrary, the Additional Rent payments constituting payments in lieu of taxes required by this Section 3.5 shall be the sole remedy available to the City in the event the Company fails to produce the Target Jobs or if the number of Jobs at the Project in any Testing Period is less than the Target Jobs; *provided further that* notwithstanding anything else in this Agreement to the contrary, in no event shall the combination of the payments in lieu of taxes required under this Section 3.5 exceed the ad valorem taxes on the Financed Facilities and the Financed Equipment that would have been due had this Agreement not been executed.

Section 3.6. Treatment of Released Portions of Property, Project. The Company acknowledges and agrees that in the event that the Company effectuates at any time a release of any portion of the Property, the Project, the Financed Facilities, or the Financed Equipment (but not the entirety of the aggregate Property, Project, Financed Facilities, or Financed Equipment) as provided in the Lease or otherwise (i) such portion shall no longer be entitled to any tax relief or tax forbearance under this Agreement or otherwise; and (ii) no such release by the Company of any portion of the Property, the Project, the Financed Facilities, or the Financed Equipment shall excuse or diminish in any way (a) the Company's obligations for payment, indemnification, provision of payment bonds as provided in Sections 4.3.4, 4.3.5 and 5.2 of this Agreement, or for the payment of payments in lieu of taxes as Additional Rent pursuant to Section 3.5 of this Agreement; or (b) the City's rights to indemnification and to be protected by insurance coverages required under this Agreement or the Lease, whether with respect to the portion of the Project and the Property so released, the remaining portions of the Project and the Property, or otherwise. Notwithstanding the preceding sentence, the Company may replace any equipment or portion of the Project deemed obsolete or unsuitable for the Project as determined in the reasonable discretion of the Company and constituting a portion of the Financed Facilities or Financed Equipment originally conveyed to and accepted by the City, and the City agrees to release the property being replaced and accept such

property's replacements as part of the Financed Facilities or Financed Equipment, as applicable, and provide the Company with the benefits of such City ownership as if the replacements were originally part of the Financed Facilities or Financed Equipment, as applicable.

Section 3.7. Obligation to Purchase Project. When all principal and interest due on the Bonds shall have been paid in full, the Company or its permitted successors and assigns shall have the absolute obligation to purchase the Property, the Project, the Financed Facilities and the Financed Equipment or portions thereof to which the Bonds paid in full relate for the purchase price(s) provided for in the Indenture and subject to the requirements of the Bond Documents.

ARTICLE IV IMPLEMENTATION OF PROJECT

Section 4.1. Mutual Cooperation for Land Use Approvals. The parties to this Agreement contemplate that at the time following Closing and of initial issuance of the Bonds, fee title to the entire Property will be held by the City to facilitate the financing from time to time of the Project, the Financed Facilities and the Financed Equipment. Accordingly, the Company and the City agree to mutually cooperate in the undertaking, at the sole cost and expense of the Company, of all applications and supporting materials required for any Land Use Approvals which may be required and the Company shall pursue to completion in a commercially reasonable manner such Land Use Approvals in accordance with the applicable customary procedures therefor. The City agrees to expeditiously process and timely review as received all applications for the Land Use Approvals and, in a commercially reasonable and timely manner, take all further actions as are consistent with this Agreement to obtain all such Land Use Approvals; *provided that*, the City shall not be obligated to grant any Land Use Approval other than in the lawful exercise of the City's police powers. The City further agrees that the City will not unreasonably withhold, condition, or delay any Land Use Approvals. Nothing in this Agreement shall prohibit the Company from seeking in connection with the Project other or further permits, approvals, reviews or other actions of regulators other than the City as may be deemed necessary or desirable by the Company in its sole discretion.

Section 4.2. Other Approvals. The City, at the Company's cost and expense, shall assist and cooperate in good faith with the Company in connection with obtaining any (i) approvals and permits from other governmental or quasi-governmental agencies having jurisdiction over the Property or the Project and (ii) similar documents and instruments from third parties, as may be necessary or desirable in connection with the development or operation of the Project. If City action is required in connection with obtaining any such approvals, permits, documents or instruments, the City shall promptly take action following receipt of a written request therefor; *provided that* such period shall be tolled for any period during which the City is awaiting revisions or additional information from the Company that are necessary to complete the requested City action.

Section 4.3. Initiation of the Project; Insurance and Payment Bonds Required. Subject to any applicable Land Use Approvals and the terms of the Lease, the Company shall implement, construct, and operate the Project as provided in this Section 4.3.

Section 4.3.1. Generally. Work on the Project shall be performed by the Company or contractors designated by the Company, in accordance with plans and specifications developed or approved in accordance with Section 4.3.2 of this Agreement by the Company in the Company's sole discretion and at the Company's sole cost. The Company shall review and approve all construction documents for such work, including bids, prior to commencement of construction of such work. Notwithstanding the foregoing, it is the understanding and agreement by the parties to this Agreement that the entire Project is being constructed as a private project, with the support of the City, but for the Company's sole use and control. It is further acknowledged and agreed by the parties that any such work items or other improvements which are located or installed or are to be located or installed on the Property are intended to be included within the Project for purposes of the Bonds and associated tax relief as provided in this Agreement and that, to facilitate the foregoing, fee title to all such work items or improvements which are located or installed or are to be located or installed on the Property shall be conveyed to and held in fee by the City in accordance with the terms of and for the duration provided in this Agreement and in the Indenture.

Section 4.3.2. Plans and Specifications. The Company shall initiate preparation or cause to be initiated the preparation of plans and specifications for the Project as required for the orderly implementation of the Project and, solely for the purpose of satisfying the City that the Project will be constructed in accordance with all Applicable Regulations of the City and with the requirements of this Agreement, shall submit from time to time such plans and specifications for approval by the City in sufficient completeness and detail to show that all such construction will be in conformance with Applicable Regulations and this Agreement. When and as required by Applicable Regulations, such plans and specifications shall be prepared by a professional engineer or architect licensed to practice in the State of Missouri. Upon each submittal of such plans and specifications, together with required applications, the City shall expeditiously review and approve or reject same, in writing, solely on the basis of non-conformity with Applicable Regulations or with specific terms of this Agreement. If the City rejects such plans and specifications, said rejection shall specify deficiencies relating to lack of conformity with this Agreement or with Applicable Regulations; *provided, however, that* the City's failure to specify deficiencies in such plans and specifications relating to Applicable Regulations shall not relieve the Company of the Company's obligations to install the Project and each portion thereof in accordance therewith. Following receipt of any such rejection, the Company shall submit new or corrected plans and specifications within sixty (60) days after the date the Company receives written notice of the City's rejection referred to in the latest such notice (or at such later time as the Company may request in writing and the City may approve as being reasonably necessary to prepare such revisions or corrections for submission to the City). The provisions of this Section 4.3.2 relating to approval, rejection and resubmittal of plans and specifications shall continue to apply until all plans and specifications for the Project have been approved by the City. Notwithstanding anything in this Section 4.3.2 or this Agreement to the contrary, (a) the City shall not unreasonably withhold, condition, or delay approval of any of the plans and specifications submitted for the Project; and (b) the Company shall have the unfettered right to avail itself of any appeal process made available by the City or the State of Missouri, as applicable, including, without limitation, appeals to the City's Board of Adjustment or Board of Building Appeals.

Section 4.3.3. Company to Construct Project. The parties to this Agreement acknowledge and agree that the Company at the Company's sole cost and expense will construct,

or cause the construction of, the Project. In connection with the City's issuance of the Bonds, the City hereby grants to the Company (which grant shall be reflected and incorporated in the Lease) an irrevocable right to access the Property and to construct and install from time to time portions of the Financed Facilities and the Financed Equipment which portions shall at all times remain titled in the Company and not in the City unless and until such time as the City acquires and accepts in writing such portions as evidenced by one or more deeds (in the case of Financed Facilities) or bills of sale (in the case of Financed Equipment) acknowledged by the City and at such time (and only at such time) such portions shall be deemed to be incorporated into the Project, all as further provided in and in full accordance with the Indenture and the Bond Documents. The Company agrees that all construction work by the Company or its agents or independent contractors in connection with or to be incorporated within the Project shall be in substantial conformity with the plans and specifications therefor as finally approved by the City as in accordance with Applicable Regulations and this Agreement.

Section 4.3.4. Insurance. In constructing or causing the construction of the Project, the Company may enter into one or more construction services contracts; *provided that* prior to the commencement of any construction or installation, the Company shall obtain, or shall ensure that each contractor obtains workers' compensation, commercial general liability, and builder's risk insurance coverage in amounts customary in the industry for similar type projects, and, if the Project or any portion thereof is determined to be in a flood hazard area, flood insurance, all with insurance companies with ratings reasonably acceptable to the City. All policies of liability insurance required under this Section 4.3.4 shall name the City as an additional insured and, to the extent available, shall contain a clause providing that such policies may not be cancelled, reduced in coverage or otherwise modified without thirty (30) days prior written notice to the City. Before initiating construction of any portion of the Financed Facilities, the Company shall provide or cause to be provided to the City certificates of insurance evidencing the insurance coverages required under this Section 4.3.4. The Company shall ensure that the insurance required under this Section 4.3.4 is maintained by each contractor for the duration of construction services to be provided at the Project.

Section 4.3.5. Payment Bond Required; Indemnification. As a condition precedent to Closing, the Company shall initially procure or cause to be procured and delivered to the City at or before Closing a dual obligee payment bond in substantially the form of Exhibit C-1 to this Agreement naming and in favor of the City and meeting all requirements of section 107.170 of the Revised Statutes of Missouri, as amended, or any successor enactment in the minimum aggregate penal amount of the greater of (i) \$4,500,000, or (ii) the total costs of acquisition and renovation of the Financed Facilities and Financed Equipment as evidenced by construction contracts or orders therefor. In addition, prior to initiation of any work under any contract (whether written or oral) with any contractor for the construction or installation of or for procurement or supplying of materials to be incorporated, consumed (other than raw materials to be utilized in a manufacturing process) or used in connection with the construction of the Financed Facilities or the Financed Equipment, and as a condition precedent to the future acceptance by the City of the conveyance of any portions of the Financed Facilities or Financed Equipment so constructed or installed, the Company shall for each such contract procure or cause to be procured a dual obligee payment bond in substantially the form of Exhibit C-1 naming and in favor of the City and meeting all requirements of section 107.170 of the Revised Statutes of Missouri, as

amended, or any successor enactment in the minimum amount of One Hundred percent (100%) of the total amount of each such contract; and *provided further that* in the event that the amount of any such contract shall be increased at any time or from time to time by more than Twenty-Five percent (25%) in the aggregate of the initial contract amount, the Company shall promptly cause the amount of the corresponding payment bond to be increased to a total One Hundred percent (100%) of such increased amount. All such payment bonds required under this Section 4.3.5, section 107.170 of the Revised Statutes of Missouri, as amended, or otherwise shall provide for and be maintained until the date which is One (1) year from the date the last labor or services were provided by anyone or last materials or equipment were furnished by anyone under or pursuant to the contract to which such payment bond applies. **Prior to the execution of any contract or order for labor, services, materials, equipment or other work at the Project, the Financed Facilities or the Financed Equipment the Company shall provide the City a certification from such contractor or supplier in the form of Exhibit C-2 acknowledging the payment bond obligations of this Section 4.3.5. The parties hereby further agree that delivery of such certification shall be a condition precedent to the enforceability of any such contract.** Prior to initiation of any work under any such contract, the corresponding dual obligee payment bond fully executed by the surety, the Company and the contractor in the minimum amount of One Hundred percent (100%) of the total amount of each such contract shall be submitted to the City. **It is the intent of the parties to this Agreement that the Project comply at all times with the requirements of section 107.170 of the Revised Statutes of Missouri, as amended, and that one or more payment bonds shall provided in the aggregate amount of 100% of the Financed Facilities and the Financed Equipment to be accepted for acquisition by the City and that this condition shall be met to the sole satisfaction of the City prior to and as a pre-condition of the conveyance to and acceptance by the City.** The Company hereby agrees to indemnify, defend with counsel of the City's choosing, and hold harmless the City and the City Council in their official and individual capacities from and against all claims, demands, costs, liabilities, damages or expenses, including reasonable attorneys' fees, by or on behalf of any person, firm or corporation arising out of the Company or the Company's contractors failure to comply in all respects with the requirements of this Section 4.3.5 or any failure of the Company to obtain payment bonds as required by section 107.170 of the Revised Statutes of Missouri, as amended. The foregoing indemnification obligations shall survive termination of this Agreement or the Lease for any reason. The parties hereto further agree to promptly take such further actions as may be required from time to time to assure that the Project complies with any subsequent amendments or successor enactments to such section 107.170 and with any final, non-appealable determinations by any court of competent jurisdiction affecting the procurement of payment bonds by or on behalf of public entities.

Section 4.3.6. Company to Adhere to All Applicable Regulations. To the full extent that any Applicable Regulation applies to any aspect of construction of the Project and the installation of the Financed Facilities or the Financed Equipment or to construction, reconstruction, expansion, renovation or similar activity in connection with any portion of the Property at any time during the period the Bonds remain Outstanding, the Company covenants and agrees to take all such actions as are necessary to comply with such Applicable Regulation (subject, however, to all available rights of appeal). This covenant shall survive termination of this Agreement for any reason until full payment, satisfaction and defeasance of the Bonds.

Section 4.4. Completion of the Project. Subject to force majeure, the Company shall cause construction and renovation of the Financed Facilities and installation of the Financed Equipment as finally approved by the City or as modified thereafter with the City's written concurrence and the installation of the Financed Equipment at the Property all to be substantially complete not later than December 31, 2023; provided that all portions of the Financed Facilities and the Financed Equipment to be offered for acceptance and acquisition by the City shall be so tendered to the City, together with applicable conveyancing documentation as provided in the Indenture, in any event not later than December 31, 2028. All such work shall be completed in a good and workmanlike manner and free from any lien, right of lien, or attachment upon, or claim affecting the right of any person, firm, or corporation to receive payment. Evidence of substantial completion shall be in substantially the form of Exhibit D, attached to and incorporated by reference in this Agreement, provided by the Company to the City and countersigned by the City (which countersignature shall not be unreasonably withheld, conditioned or delayed).

Section 4.5. Sales Tax Exemption. Contemporaneous with Closing on the conveyance to the City of the Property as provided in Article II of this Agreement, the City shall make available to the Company in connection with the purchase of tangible personal property and materials to be incorporated into the Project, the City's sales tax exemption from purchases of such tangible personal property and materials to the extent permitted under Section 144.062 of the Revised Statutes of Missouri, as amended, and 12 CSR 10-112.010 of the Missouri Code of State Regulations, it being the intent of this Agreement that the full value of all materials, construction, and equipment purchased by the Company for the Project be exempt from all State of Missouri, City and County sales taxes; *provided that* the parties hereto acknowledge and agree that neither City nor the EDC is guaranteeing the exemption from taxation of such purchases. The City hereby agrees to cooperate with the Company by providing upon request such certificates and other documentation as may be necessary for the Company to receive such sales tax exemption.

ARTICLE V FURTHER OBLIGATIONS OF THE COMPANY

Section 5.1. Cooperation in Verification of Jobs Required. The Company shall use commercially reasonable efforts to cooperate with the City and the EDC in promptly making available at the Project upon request by the EDC such employment records and similar documentation prepared or maintained by the Company, its subsidiaries or nominees which the EDC may reasonably require to verify the number of Jobs in any Testing Period in accordance with the terms of Section 3.5 of this Agreement; *provided that* nothing in this Agreement shall require the Company to disclose confidential or proprietary information maintained by the Company, its parent, subsidiaries, or nominees. The Company shall make such information available to the EDC and the City at the Project solely to enable the EDC and the City to verify the actual number of Jobs in any Testing Period in accordance with the terms of Section 3.5 of this Agreement.

Section 5.2. Indemnification.

(a) Indemnification for Certain Third Party Actions; Release of City, EDC, and Trustee. The Company hereby covenants, warrants and agrees to indemnify and hold the City, the EDC, and the Trustee, as applicable, and their respective officials, officers, agents, attorneys, employees and representatives acting in any capacity harmless from and to defend against (with legal counsel selected by the Company and reasonably acceptable to the City) all claims, demands, costs, liabilities, damages or expenses, including reasonable attorneys' fees, by or on behalf of any person, firm or corporation arising from any Third Party Action except where the basis, in whole or in part, for such Third Party Action is the fraud, criminal malfeasance, gross negligence or willful misconduct of the City, the EDC, or any officer, employee, or agent thereof. The indemnification obligations of the Company under this Section 5.2(a) shall be in force and effect at all times during the later of: (A) the time the Bonds are Outstanding; or (B) the time any portion of the Property, the Project, the Financed Facilities or the Financed Equipment is held in fee by the City; and (ii) shall not be assignable or delegable by the Company without the prior written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed. In no event shall the City or the EDC, or their respective officials, officers, agents, attorneys, employees or representatives have any liability whatsoever at law or in equity to the Company or an Affiliate or to their parent respective directors, officers, agents, employees and representatives, in consequence of any such Third Party Action, except where the basis, in whole or in part, for such Third Party Action is the fraud, criminal malfeasance, gross negligence or willful misconduct of the City, the EDC or any officer, employee, or agent thereof. The Company hereby further covenants, warrants and agrees that in no event shall the City or the EDC, or their respective officials, officers, agents, attorneys, employees or representatives have any liability to the Company or to any Affiliate, parent, assignee or sublessee of the Company for damages or otherwise in the event that all or any part the Project, the Lease, the Bonds, the Bond Documents or any portion thereof, or this Agreement, shall be declared invalid or unconstitutional in whole or in part by a final (as to which all rights of appeal have been exhausted or expired) judgment of a court of competent jurisdiction or as a result of initiation of a Third Party Action the Company is prevented from enjoying any of the rights and privileges of the Company hereunder.

(b) Other Indemnification Obligations of the Company. The Company hereby covenants warrants and agrees to indemnify and hold the City, the EDC, and the Trustee, as applicable, and their respective officials, officers, agents, attorneys, employees and representatives acting in any capacity harmless from and defend against (with legal counsel selected by the Company and reasonably acceptable to the City) all claims, demands, costs, liabilities, damages or expenses, including reasonable attorneys' fees, by or on behalf of any person, firm or corporation arising from: (i) the conduct or management of, or from any work or thing done in, on or about, the Financed Facilities, the Project or the Property during the term of the Lease and the Bonds, (ii) any condition of the Financed Facilities, the Project or the Property, or any acts or omissions thereon by any person during the term of the Lease and the Bonds of any series; (iii) any breach or default on the part of the Company in the performance of any of the Company's obligations under this Agreement or the Lease affecting a third party; (iv) any contract, whether written or oral, entered into during the term of the Lease and the Bonds of any series in connection with the purchase, construction, extension or improvement of the Project; (v) any act of negligence of the Company or of any of its agents, parties to contract (whether written or oral), servants, employees or licensees during the term of the Lease and the Bonds of any series; (vi) the obtaining of any applicable exemptions from state or local sales or use taxes for materials or goods which

become part of the Financed Facilities or the Financed Equipment, but only during the later of (A) the time the Bonds remain Outstanding; or (B) the time any portion of the Property, the Project, the Financed Facilities or the Financed Equipment is held in fee by the City; (vii) any violation of section 107.170 of the Revised Statutes of Missouri, as amended or successor enactment; and/or (viii) a final determination by a court of competent jurisdiction that the purchase of tangible personal property or materials and their incorporation in the Project as contemplated in this Agreement is not related to the City’s exempt functions and activities or that the City for any reason is liable for such tax, but only during the later of (A) the time the Bonds are Outstanding; or (B) the time any portion of the Property, the Project, the Financed Facilities or the Financed Equipment is held in fee by the City. Each of the foregoing phrases (i) through (viii) shall constitute independent obligations. The indemnification obligations of the Company under this Section 5.2(c) shall not be assignable or delegable by the Company without the prior written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed.

(c) Environmental Indemnification Obligations of the Company. The Company hereby covenants warrants and agrees to indemnify and hold the City, the EDC, and the Trustee, as applicable, and their respective officials, officers, agents, attorneys, employees and representatives acting in any capacity harmless from and defend against (with legal counsel selected by the Company and reasonably acceptable to the City) all claims, demands, costs, liabilities, damages or expenses, including reasonable attorneys’ fees, by or on behalf of any person, firm or corporation arising from: (i) any release (as defined in 42 U.S.C. §9601 (22)) or threat of a release, actual or alleged, of any Hazardous Substances, upon the Property, the Financed Facilities, the Financed Equipment or the Project or respecting any products or materials introduced or delivered to or arising at the Property, the Financed Facilities, the Financed Equipment or the Project regardless of whether such release occurs as a result of any act, omission, negligence or misconduct of the Company, or any third party or otherwise; (ii) (A) any violation now existing or hereafter arising (actual or alleged) or any other liability under or in connection with, any applicable Environmental Laws relating to or affecting the Property, the Financed Facilities, the Financed Equipment, or the Project, or (B) any violation now existing or hereafter arising, actual or alleged or any other liability, under or in connection with, any applicable Environmental Laws relating to any products or materials now or hereafter located upon, delivered to or in transit to or from the Property, the Financed Facilities, the Financed Equipment, or the Project regardless of whether such violation or alleged violation or other liability occurs or arises as the result of any act, omission, negligence or misconduct of the Company or any third party or otherwise; or (iii) any assertion by any third party of any claims or demands for any loss or injury arising out of, relating to or in connection with any Hazardous Substances on or allegedly on the Property, the Financed Facilities, the Financed Equipment, or the Project. Each of the foregoing phrases (i) through (iii) and the portions thereof shall constitute independent obligations. The indemnification obligations of the Company under this Section 5.2(d) shall apply and extend whether the event giving rise to such claim or action occurred prior to or during the term of the Lease. Indemnification obligations of the Company shall not be assignable or delegable by the Company without the prior written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed.

(d) Survival of Indemnification and Defense Obligations. Each of the indemnification and defense obligations of the Company set forth in this Section 5.2 that arise from any Third Party Action or otherwise, including, without limitation those arising under Section

5.2(c) of this Agreement, from a party other than the parties to this Agreement shall survive termination of this Agreement or of the Lease for any reason, including, without limitation, payment, satisfaction and defeasance of the Bonds for a period of sixty (60) months following the re-acquisition for any reason of the entire Project by the Company.

Section 5.3. Annual Report Filings. Pursuant to the Acts, the City may be required to file annual reports with the Missouri Department of Economic Development or other entities of the State of Missouri. The Company shall use commercially reasonable efforts to cooperate with the City in causing such reporting requirements to be fulfilled.

ARTICLE VI COVENANTS, REPRESENTATIONS, WARRANTIES, AND ACKNOWLEDGEMENTS

Section 6.1. The Company, Generally. The Company hereby represents, warrants and covenants to the City and the EDC that, as of the date of this Agreement and during the term of this Agreement and so long as any Bonds remain Outstanding:

(i) The Company is a Delaware corporation duly organized, validly existing and qualified and authorized to do business in Missouri and will lawfully maintain such status;

(ii) The Company has the right, power and authority to enter into, execute, deliver and perform this Agreement and no other consents or authorization from any other persons or entities are required prior to the Company's execution and delivery of this Agreement;

(iii) The execution, delivery and performance by the Company of this Agreement has been duly authorized by all necessary action and does not violate the formation documents or operating agreement of the Company or any applicable provision of law, nor does the execution, delivery and performance by the Company of this Agreement constitute a breach of or default under or require any consent under any agreement, instrument or document to which the Company is now a party or by which the Company is now bound;

(iv) To the Company's actual knowledge, following reasonable due inquiry, there are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, threatened or affecting the Company which would impair the Company's ability to perform under this Agreement; and

(v) To the Company's actual knowledge, following reasonable due inquiry, the Company has obtained or will obtain as and when required by Applicable Regulations, and shall maintain all government permits, certificates and consents (including, without limitation, environmental approvals required by any Applicable Regulations) necessary to conduct the Company's business and to construct, complete and operate the Project.

Section 6.2. Compliance with Laws. The Company covenants, represents and warrants to the City and the EDC that, to the best of the Company's knowledge, following diligent inquiry, the Company's actions related to the Property and the Project are or, when complete, will be in compliance with all Applicable Regulations, including, without limitation, Environmental Laws. The Company agrees that the City and the City's duly authorized agents shall have the right at reasonable times during business hours, subject to at least Seventy-Two (72) hours advance notice to the Company, to enter upon the Project and the Property to examine and inspect the Project to assure material compliance with this Agreement; *provided that* such inspections in any year shall not occur more frequently than quarterly.

Section 6.3. Environmental Matters; Warranties, Covenants; Indemnification.

(a) The Company acknowledges, represents and warrants that there are no conditions on the Property or the Financed Facilities which materially violate any applicable Environmental Laws, and that no claims or demands have been asserted or made by any third parties arising out of, relating to or in connection with any Hazardous Substances on, or allegedly on the Property or the Financed Facilities for any injuries suffered or incurred, or allegedly suffered or incurred, by reason of a violation of applicable Environmental Laws. The Company has not received notice from any federal, state, county or municipal governmental authority alleging violation of any Environmental Law, in respect to the Property, the Financed Facilities, or any part thereof which has not been entirely corrected.

(b) During the term of the Lease, the Company shall provide the City with copies of any notifications of releases of Hazardous Substances or of any environmental hazards or potential hazards which are given by or on behalf of the Company to any federal, state or local or other agencies or authorities or which are received by the Company from any federal, state or local or other agencies or authorities with respect to the Property, the Financed Facilities, the Financed Equipment, or the Project. Such copies shall be sent to the City concurrently with their being mailed or delivered to the governmental agencies or authorities or within Ten (10) days after they are made or received by the Company.

(c) At all times during the term of the Lease, the Company shall use commercially reasonable efforts to materially comply with and operate and at all times use, keep and maintain the Property, the Financed Facilities, the Financed Equipment, and the Project and every part thereof (whether or not such property constitutes a Facilities, as defined in 42 U.S.C. §9601 *et. seq.*) in material conformance with all applicable Environmental Laws. Without limiting the generality of the foregoing, the Company will not use, generate, treat, store, dispose of or otherwise introduce or permit any agent, employee, contractor, subcontractor or other party to contract (whether written or oral) of the Company to use, generate, treat, store, dispose of or otherwise introduce any Hazardous Substance into or on the Property, the Financed Facilities, the Financed Equipment, or the Project or any part thereof nor cause, suffer, allow or permit anyone else to do so except in material compliance with all applicable Environmental Laws.

Section 6.4. The City, Generally. The City hereby represents and warrants to the Company that:

(i) the City has the full power and authority to enter into this Agreement and to perform its obligations hereunder;

(ii) this Agreement is a valid and binding obligation, enforceable against the City in accordance with the terms hereof; and

(iii) the execution and delivery of this Agreement has been validly authorized by all necessary governmental or other action and does not conflict with any other agreements entered into by the City.

Section 6.5. Survival of Covenants. All warranties, representations, covenants and agreements of the Company contained in this Article VI shall survive termination of this Agreement for any reason until full payment, satisfaction and defeasance of the Bonds.

ARTICLE VII MISCELLANEOUS

Section 7.1. Term of Agreement. This Agreement shall continue in force for so long as: (a) any Bonds shall remain Outstanding; or (b) any portion of the Property, the Financed Equipment or the Financed Facilities is titled in the name of the City, whichever is the later. Notwithstanding the foregoing, the Company may terminate this Agreement in the event the Company notifies the City in writing that the Company has reasonably determined after due investigation that the Project is no longer economically viable; *provided that* promptly upon the giving of such notice the Company, at the Company's sole cost and expense: (i) exercises the Company's option to purchase the Property, the Financed Facilities and the Financed Equipment by payment of the purchase price therefor provided in the Indenture and taking such other steps as are required under the Lease and the Indenture; (ii) paying or acknowledging in writing payment of all principal and interest due and tendering all, but not less than all, Outstanding Bonds for redemption, defeasance and cancellation; (iii) paying all payments in lieu of taxes due for the year in which such termination occurs; and (iv) acknowledging in a writing the Company's continuing indemnification obligations under this Agreement or providing a bond or other indemnification security satisfactory to the City in the City's sole discretion. Satisfaction of each for the foregoing shall be conditions precedent to the termination of this Agreement pursuant to this Section 7.1.; *provided that* each of the Company's indemnification obligations shall survive such termination.

Section 7.2. Notices. Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) e-mail; (c) overnight courier; or (d) registered or certified mail, return receipt requested:

If to the Company: EquipmentShare.com Inc.
5710 Bull Run Drive
Columbia, Missouri 65201
Attention: _____

with a copy to:

Attention: _____

If to the City: City of Moberly
101 West Reed Street - City Hall
Moberly, Missouri 65270
Attention: City Manager

with a copy to:
Gilmore & Bell, P.C.
211 N. Broadway, Suite 2000
St. Louis, Missouri 63102
Attention: Shannon Creighton, Esq.

If to the EDC: Moberly Area Economic Development Corporation
115 North Williams Street
Moberly, Missouri 65270
Attention: President

with a copy to:
Gilmore & Bell, P.C.
211 N. Broadway, Suite 2000
St. Louis, Missouri 63102
Attention: Shannon Creighton, Esq.

Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand, or request sent pursuant to either clause (a) or (b) above shall be deemed received upon such personal service or upon dispatch.

Section 7.3. Further Assistance. The City, the EDC, and the Company each agree to take such actions as may be necessary or appropriate to carry out the terms, provisions and intent of this Agreement and to aid and assist each other in carrying out said terms, provisions and intent. In addition, if legislation is proposed by or in any governmental body having jurisdiction over the Project which would have the effect of limiting the ability of the City to issue the Bonds to finance the Project, the City agrees to use its best efforts to issue the Bonds prior to the effective date of any such legislation. The Company shall further cooperate with and assist the City, the EDC, and the Randolph County Assessor as necessary to describe and document from time to time those portions of the Property, the Financed Facilities and the Financed Equipment to be acquired by and conveyed to the City pursuant to this Agreement.

Section 7.4. Entire Agreement; Modification; No Waiver by Prior Actions. This Agreement, together with the Bond Documents, the other agreements expressly referenced herein, constitute the entire agreement of the parties and no oral statement or prior written matter shall have any force or effect respecting the matters governed hereby. The terms, covenants and

conditions of this Agreement may not be changed orally, but only by an instrument in writing signed by each of the parties or their authorized representatives. The failure of any party hereto to insist in any one or more cases upon the strict performance of any term, covenant or condition of this Agreement to be performed or observed by another party shall not constitute a waiver or relinquishment for the future of any such term, covenant or condition.

Section 7.5. Public Liability Strictly Limited; No Personal Liability. The parties hereto agree that remedies for any claim arising out of this Agreement, the Lease, the Bonds, the Bond Documents or any of them shall be limited to equitable relief including the availability of specific performance and in no event shall the City or the EDC or any of their respective officials, officers, agents, attorneys, employees, or representatives have any liability in damages or any other monetary liability to the Company or any Affiliate, parent, assignee, sublessee, successor, assign, heir or personal representative of the Company in respect of any suit, claim, or cause of action arising out of this Agreement, the Lease, the Bonds, the Bond Documents or any of them. No official, officer, agent, attorney, employee, or representative of any of the parties hereto shall be personally liable to any of the other parties hereto, or the respective assignees, sublessees, successors, assigns, heirs or personal representatives of the other parties hereto in the event of any default or breach by any party under this Agreement, or for any amount which may become due to any party or on any obligations under the terms of this Agreement other than for fraud, criminal malfeasance, gross negligence or willful misconduct of such party or any officer, employee, or agent thereof.

Section 7.6. No Waiver of Sovereign Immunity. Nothing in this Agreement shall be construed or deemed to constitute a waiver of the City's sovereign immunity.

Section 7.7. Remedies Cumulative. The remedies of a party under this Agreement shall be cumulative, and the exercise of any one or more of the remedies provided for in this Agreement shall not be construed as a waiver of any other remedies of such party unless specifically so provided herein.

Section 7.8. Default; Opportunity to Cure. In the event of any default in or breach of any term or conditions of this Agreement by either party, other than the failure of the Company to make timely payments in lieu of taxes when and as due, the aggrieved party, prior to instituting any action at law or in equity, shall give written notice to the breaching or defaulting party (or successor) specifying, in the opinion of the aggrieved party, the nature of the breach, and the defaulting or breaching party (or successor) shall, upon receipt of such written notice from the other party, proceed to promptly, reasonably, and practically cure or remedy such default or breach, and, shall, in any event, within Thirty (30) days after receipt of notice, commence to cure or remedy such default. In case such cure or remedy is not taken or not promptly, reasonably, and practically pursued, or the default or breach shall not be cured or remedied within Thirty (30) days or such longer time as is reasonable under the circumstances, the aggrieved party may then institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including, but not limited to proceedings to compel specific performance by the defaulting or breaching party.

Section 7.9. Relationship of the Parties; Third Party Beneficiaries. Nothing contained in this Agreement nor any act of the City or of the EDC shall be deemed or construed to create a partnership or agency relationship between or among any party and this Agreement is and shall be limited to the specific purposes set out herein. Other than as expressly provided in this Agreement, no party shall be the agent of, or have any rights to create any obligations or liabilities binding on, another party. The parties do not intend to and do not confer any benefit under this Agreement on any other person or entity other than the parties hereto.

Section 7.10. Captions; Recitals and Exhibits; Agreement Preparation. The headings and captions of this Agreement are for convenience and reference only, and in no way define, limit, or describe the scope or intent of this Agreement of any provision thereof and shall in no way be deemed to explain, modify, amplify or aid in the interpretation or construction of the provisions of this Agreement. The Recitals found at the beginning of this Agreement are incorporated herein by reference and are important and material parts of this Agreement. Each party to this Agreement and their attorneys have had full opportunity to review and participate in the drafting of the final form of this Agreement and all documents attached as exhibits and schedules. This Agreement shall be construed without regard to any presumption or other rule of construction whereby ambiguities within this Agreement or such other document would be construed or interpreted against the party causing the document to be drafted. The parties each further represent that the terms of this Agreement and the documents attached to this Agreement as exhibits and schedules have been completely read by them and that those terms are fully understood and voluntarily accepted by them. In any interpretation, construction or determination of the meaning of any provision of this Agreement, no presumption whatsoever shall arise from the fact that the Agreement was prepared by or on behalf of any party.

Section 7.11. Execution; Counterparts. Each person executing this Agreement in a representative capacity warrants and represents that he or she has authority to do so and upon request by another party proof of such authority in customary form will be furnished to the requesting party. This Agreement may be executed at different times and in two or more counterparts and all counterparts so executed shall for all purposes constitute one agreement, binding on the parties hereto, notwithstanding that both parties may not have executed the same counterpart. In proving this Agreement it shall not be necessary to produce or account for more than one such counterpart executed by the party against whom enforcement is sought.

Section 7.12. Severability. If any term, covenant, condition or provision of this Agreement or the application of this Agreement to any person or circumstance shall, at any time or to any extent, be finally declared by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected by the partial invalidity, and each term, covenant, condition and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law unless such partial invalidity prevents a party from realizing the full benefit of the bargain represented by the entire Agreement.

Section 7.13. Governing Law; Choice of Forum; Waiver of Objections. This Agreement and its performance shall be governed by and construed under the laws of the State of

Missouri applicable to contracts made and to be performed wholly within such state, without regard to choice or conflict of laws provisions. The parties hereto agree that any action at law, suit in equity, or other judicial proceeding arising out of this Agreement shall be instituted only in the Circuit Court of Randolph County, Missouri or in the Federal District Court for the Eastern District of Missouri and waive any objections based upon venue or *forum non conveniens* or otherwise and waive any and all objections to the application of Missouri law and/or to the foregoing selection of fora.

Section 7.14. Assignment Limited. The Company may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part to any individual or entity other than to an Affiliate without the written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed. Any such Affiliate or successor in interest to the Company under this Agreement, as a condition precedent to the validity of such assignment or transfer, shall certify in writing to the City its agreement: (i) to abide by all remaining executory terms of this Agreement (and the representations, warranties and covenants related thereto) through the term of this Agreement, or such other period as may be expressly provided for herein, (ii) to purchase or otherwise assume ownership in accordance with the terms thereof of all of the Bonds then Outstanding, and (iii) to assume the obligations of “Lessee” under the Lease.

Section 7.15. Binding Effect. This Agreement shall be binding upon the City, the EDC, and the Company and their respective permitted successors and permitted assigns.

Section 7.16. Force Majeure. Neither the City, the EDC, nor the Company nor any permitted successor in interest to any of them shall be considered in breach of or in default of any of their respective obligations under this Agreement including, without limitation, the Company’s obligation to construct the Project or any portion thereof and the City’s obligation to issue the Bonds, in the event of any delay caused by damage or destruction by fire or other casualty, strike; shortage of material; any government order or action of any sort; failure, after diligent pursuit, to obtain approvals or permits from applicable governmental entities including, without limitation, environmental permits; acts of war or terrorism; civil disturbance; unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones; and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder. Any delay described under this Section 7.16 shall result in a day-for-day extension of any obligations, deadlines or dates set forth in this Agreement that are directly affected by such delay. The individual or entity relying on this Section 7.16 with respect to any such delay shall, upon the occurrence of the event causing such delay, promptly, reasonably, and practically give written notice to the other parties to this Agreement.

Section 7.17. Compliance with Section 285.530 of the Revised Statutes of Missouri. Contemporaneous with the execution of this Agreement, the Company shall by sworn affidavit and provision of documentation, affirm the Company’s enrollment and participation in a federal work authorization program with respect to the employees working in connection with the Project, all as required by Section 285.530 of the Revised Statutes of Missouri, as amended, in the form set forth in Exhibit E, attached to and incorporated by reference in this Agreement. The Company

shall also sign and deliver to the City an affidavit affirming that the Company does not and will not knowingly employ in connection with the Project any person who is an unauthorized alien and, if and as required by Section 285.530 of the Revised Statutes of Missouri, as amended, the Company shall obtain from each general contractor and subcontractor or other party engaged by the Company in connection with the Project affidavits affirming that such contractors and subcontractors do not and will not knowingly employ in connection with the Project any person who is an unauthorized alien.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK - SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on or as of the day and year first above written.

CITY OF MOBERLY, MISSOURI

By: _____
Jerry Jeffrey, Mayor

ATTEST:

Shannon Hance, City Clerk

ACKNOWLEDGEMENT

STATE OF MISSOURI)
) **ss.**
COUNTY OF RANDOLPH)

I, the undersigned, a notary public in and for said County, in the State aforesaid, **DO HEREBY CERTIFY** that Jerry Jeffrey, personally known to me to be the Mayor of the CITY OF MOBERLY, MISSOURI and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument, pursuant to the authority given to him by the Council of the CITY OF MOBERLY, MISSOURI as his free and voluntary act and as the free and voluntary act of the CITY OF MOBERLY, MISSOURI, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ____ day of _____, 2023.

Notary Public

My Commission Expires:

**MOBERLY AREA ECONOMIC
DEVELOPMENT CORPORATION**

By: _____
Randy Asbury, President

ACKNOWLEDGEMENT

STATE OF MISSOURI)
) **ss.**
COUNTY OF RANDOLPH)

I, the undersigned, a notary public in and for said County, in the State aforesaid, **DO HEREBY CERTIFY** that Randy Asbury, personally known to me to be the President of MOBERLY AREA ECONOMIC DEVELOPMENT CORPORATION and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument, pursuant to the authority given to him by the governing body of MOBERLY AREA ECONOMIC DEVELOPMENT CORPORATION as his free and voluntary act and as the free and voluntary act of MOBERLY AREA ECONOMIC DEVELOPMENT CORPORATION for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ____ day of _____, 2023.

Notary Public

My Commission Expires:

EXHIBIT A

LOCATION OF FINANCED FACILITIES

A-1

EXHIBIT B

LEGAL DESCRIPTION

Parcel No. 07-7.0-26.0-0.0-000-014.000 in the records of the Randolph County, known and numbered as 1855 Robertson Road, Moberly Missouri and further partially described as:

PT OF SE1/4: BEG 792.75' S & 34.77' W OF NE CORNER OF SE1/4, TH S 751.68', W 82', SWLY 146.57', SLY 268.12' TO N LINE OF HUNTHAUSEN RD, TH W 479.96', N 1110.26' TO S LINE OF FOWLER RD, TH E 700.10'>

Sec: 26.0 Twp: 54 Range: 14, a total 16.0+/- acres.

B-1

EXHIBIT C-1

FORM OF PAYMENT BOND

DRAFT AIA® Document A312™ - 2010

Payment Bond

CONTRACTOR: (Name, legal status and address)
SURETY: (Name, legal status and principal place of business)

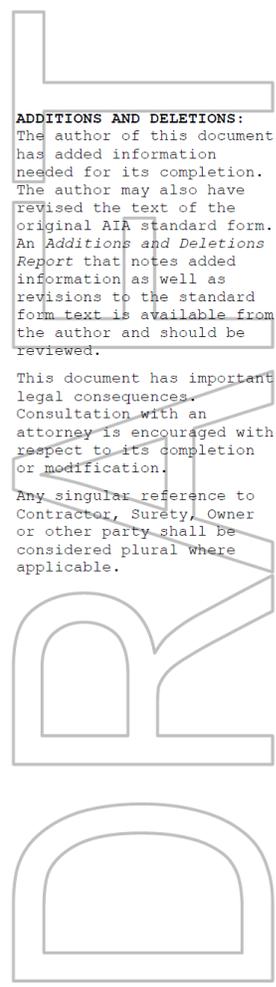
OWNER: (Name, legal status and address)

CONSTRUCTION CONTRACT
Date:
Amount: \$
Description: (Name and location)
«Blank»

BOND
Date: (Not earlier than Construction Contract Date)
Amount: \$
Modifications to this Bond: None See Section 18

CONTRACTOR AS PRINCIPAL SURETY
Company: (Corporate Seal)
Signature: Name and Title
(Any additional signatures appear on the last page of this Payment Bond.)

(FOR INFORMATION ONLY - Name, address and telephone)
AGENT or BROKER: OWNER'S REPRESENTATIVE: (Architect, Engineer or other party:)



ADDITIONS AND DELETIONS: The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An Additions and Deletions Report that notes added information as well as revisions to the standard form text is available from the author and should be reviewed.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

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§ 1 The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner to pay for labor, materials and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference, subject to the following terms.

§ 2 If the Contractor promptly makes payment of all sums due to Claimants, and defends, indemnifies and holds harmless the Owner from claims, demands, liens or suits by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract, then the Surety and the Contractor shall have no obligation under this Bond.

§ 3 If there is no Owner Default under the Construction Contract, the Surety's obligation to the Owner under this Bond shall arise after the Owner has promptly notified the Contractor and the Surety (at the address described in Section 13) of claims, demands, liens or suits against the Owner or the Owner's property by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract and tendered defense of such claims, demands, liens or suits to the Contractor and the Surety.

§ 4 When the Owner has satisfied the conditions in Section 3, the Surety shall promptly and at the Surety's expense defend, indemnify and hold harmless the Owner against a duly tendered claim, demand, lien or suit.

§ 5 The Surety's obligations to a Claimant under this Bond shall arise after the following:

§ 5.1 Claimants, who do not have a direct contract with the Contractor,

- .1 have furnished a written notice of non-payment to the Contractor, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied or for whom the labor was done or performed, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the Claim; and
- .2 have sent a Claim to the Surety (at the address described in Section 13).

§ 5.2 Claimants, who are employed by or have a direct contract with the Contractor, have sent a Claim to the Surety (at the address described in Section 13).

§ 6 If a notice of non-payment required by Section 5.1.1 is given by the Owner to the Contractor, that is sufficient to satisfy a Claimant's obligation to furnish a written notice of non-payment under Section 5.1.1.

§ 7 When a Claimant has satisfied the conditions of Sections 5.1 or 5.2, whichever is applicable, the Surety shall promptly and at the Surety's expense take the following actions:

§ 7.1 Send an answer to the Claimant, with a copy to the Owner, within sixty (60) days after receipt of the Claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed; and

§ 7.2 Pay or arrange for payment of any undisputed amounts.

§ 7.3 The Surety's failure to discharge its obligations under Section 7.1 or Section 7.2 shall not be deemed to constitute a waiver of defenses the Surety or Contractor may have or acquire as to a Claim, except as to undisputed amounts for which the Surety and Claimant have reached agreement. If, however, the Surety fails to discharge its obligations under Section 7.1 or Section 7.2, the Surety shall indemnify the Claimant for the reasonable attorney's fees the Claimant incurs thereafter to recover any sums found to be due and owing to the Claimant.

§ 8 The Surety's total obligation shall not exceed the amount of this Bond, plus the amount of reasonable attorney's fees provided under Section 7.3, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.

§ 9 Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any construction performance bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.

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C-2

§ 10 The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligation to make payments to, or give notice on behalf of, Claimants or otherwise have any obligations to Claimants under this Bond.

§ 11 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

§ 12 No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is the subject of the Construction Contract is located or after the expiration of one year from the date (1) on which the Claimant sent a Claim to the Surety pursuant to Section 5.1.2 or 5.2, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

§ 13 Notice and Claims to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears. Actual receipt of notice or Claims, however accomplished, shall be sufficient compliance as of the date received.

§ 14 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

§ 15 Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.

§ 16 Definitions

§ 16.1 Claim. A written statement by the Claimant including at a minimum:

- .1 the name of the Claimant;
- .2 the name of the person for whom the labor was done, or materials or equipment furnished;
- .3 a copy of the agreement or purchase order pursuant to which labor, materials or equipment was furnished for use in the performance of the Construction Contract;
- .4 a brief description of the labor, materials or equipment furnished;
- .5 the date on which the Claimant last performed labor or last furnished materials or equipment for use in the performance of the Construction Contract;
- .6 the total amount earned by the Claimant for labor, materials or equipment furnished as of the date of the Claim;
- .7 the total amount of previous payments received by the Claimant; and
- .8 the total amount due and unpaid to the Claimant for labor, materials or equipment furnished as of the date of the Claim.

§ 16.2 Claimant. An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic's lien or similar statute against the real property upon which the Project is located. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.

§ 16.3 Construction Contract. The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and all changes made to the agreement and the Contract Documents.

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User Notes:

(1882145366)

§ 16.4 **Owner Default.** Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

§ 16.5 **Contract Documents.** All the documents that comprise the agreement between the Owner and Contractor.

§ 17 If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

§ 18 Modifications to this bond are as follows:

18.1 This Bond is given pursuant to section 107.170 of the Revised Statutes of Missouri, as amended.

18.2 The City of Moberly, Missouri is added as a Dual Obligee to this Bond pursuant to the Rider attached hereto and incorporated by reference herein.

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

Company: _____ *(Corporate Seal)*

Signature: _____

Name and Title: _____

Address: _____

SURETY

Company: _____ *(Corporate Seal)*

Signature: _____

Name and Title: _____

Address: _____



DUAL OBLIGEE RIDER (form)

This Rider is executed concurrently with and shall be attached to and form a part of Bond No. _____ dated the _____ day of _____, 20__ issued by _____, [Insert name of Surety] a corporation organized under the laws of the State of _____, as SURETY on behalf of _____ [Insert name of Contractor], as PRINCIPAL and in favor of EQUIPMENTSHARE.COM INC., a Delaware limited liability company duly authorized to do business in Missouri, 5710 Bull Run Drive, Columbia, Missouri 65201 (“Obligee”) and the CITY OF MOBERLY, MISSOURI, a city of the third classification and municipal corporation of the State of Missouri, 101 West Reed Street, Moberly, Missouri 64270 (“City of Moberly”), as co-obligees.

WHEREAS, on or about the _____ day of _____, 20__, Principal entered into a contract (the “Contract”) with Obligee, for the performance of _____; and

WHEREAS, Principal and Surety made, executed and will deliver the attached payment bond No. _____ (the “Bond”) as required by the Contract; and

WHEREAS, in accordance with section 107.170 of the Revised Statutes of Missouri, as amended, the City of Moberly is a required Co-Obligee under the Bond;

NOW, THEREFORE, Principal, Surety, and Obligee each hereby agree that the City of Moberly is a Co-Obligee under the Bond jointly with and to the same extent as the Obligee, upon the following conditions:

1. Surety’s total liability to the Co-Obligees, jointly and severally, is limited in the aggregate to the penal sum of the Bond; the Co-Obligee’s rights hereunder are subject to the same defenses Principal and/or Surety have against the Obligee.
2. The Surety may, at the Surety's option, make any payments under the Bond by check issued jointly to the Co-Obligees.

IN WITNESS TO and in acknowledgement whereof the Principal, Surety and Obligees hereto have each affixed their signatures and seals this _____ day of _____, 20__.

EQUIPMENTSHARE.COM INC.
5710 Bull Run Drive
Columbia, Missouri 65201
OBLIGEE

[Insert name of and address of Contractor]

PRINCIPAL

By: _____
Print Name and Title:

By: _____
Print Name and Title:

CITY OF MOBERLY
101 West Reed Street
Moberly, Missouri 65270
CO-OBLIGEE

[Insert name and address of Surety]

SURETY

By: _____
Print Name and Title:

By: _____
Attorney-In-Fact
Print Name and Title:

EXHIBIT C-2

CERTIFICATION OF GENERAL CONTRACTOR

CERTIFICATION OF GENERAL CONTRACTOR IN REGARD TO PAYMENT BOND OBLIGATIONS

**EquipmentShare.com Inc. Manufacturing, Refurbishment and
Distribution Facility Project
Moberly, Missouri (the “Project”)**

Capitalized terms used and not defined in this Certificate of Substantial Completion shall have the meanings ascribed to such terms in the Development Agreement, dated as of _____ 1, 2023, (the “Development Agreement”) by and among the City of Moberly, Missouri (the “City”), Moberly Area Economic Development Corporation (the “EDC”) and EquipmentShare.com Inc. (the “Company”).

_____, general contractor (the “Contractor”) under a construction contract with the Company in connection with the Project hereby certifies, represents, and warrants to the City that the Contractor is fully informed of and will comply with all requirements of the Development Agreement to supply and maintain a payment bond meeting requirements of section 107.170 of the Revised Statutes of Missouri, as amended, in the amount and for the duration provided in Section 4.3.5 of the Development Agreement

The Contractor hereby further certifies, represents, and warrants to the City that the undersigned has full authority from the Contractor to execute this Certification. As such, the Contractor irrevocably waives any argument, defense, or claim that the Contractor has or may have relating to or arising from any argument, defense, or contention that the Contractor did not provide full, complete, proper, binding, and/or effective authorization(s) and approval(s) for this Certification.

the “Contractor”

By: _____
Printed name: _____
Title: _____

EXHIBIT D

FORM OF SUBSTANTIAL COMPLETION CERTIFICATE

CERTIFICATE OF SUBSTANTIAL COMPLETION

**EQUIPMENTSHARE.COM INC. MANUFACTURING, REFURBISHMENT AND
DISTRIBUTION FACILITY PROJECT
MOBERLY, MISSOURI**

**TO: City of Moberly, Missouri
101 West Reed Street
Moberly, Missouri 65270**

Capitalized terms used and not defined in this Certificate of Substantial Completion shall have the meanings ascribed to such terms in the Development Agreement, dated as of _____ 1, 2023, (the "Development Agreement") by and among the City of Moberly, Missouri (the "City"), Moberly Area Economic Development Corporation (the "EDC") and EquipmentShare.com Inc. (the "Company").

Pursuant to the Development Agreement, the undersigned hereby certifies and warrants to the City and EDC as follows:

1. As of _____, 202__ the Financed Facilities, and the Financed Equipment, including acquisition and installation of all necessary facilities and infrastructure required for the Project, are Substantially Complete and in conformity, in all material respects, with the plans and specifications therefor as finally approved by the City or as modified thereafter with the City's concurrence in accordance with the Development Agreement. "Substantially Complete" for purposes of this certificate means that the Project is sufficiently complete so that the Company can utilize the Project for its intended use.

2. Except for costs incurred less than thirty (30) days prior to the date of this Certificate, the Company has made or caused to be made all payments to contractors and sub-contractors required to be made in connection with the construction of the Project, and there are no outstanding statements for which payment is requested in connection with the Project for labor, wages, materials, supplies, or services which could become the basis of a vendors', mechanics', laborers' or materialmen's statutory or other similar lien upon the Project or any portion thereof (subject to the Company's right to contest to the extent permitted under the Development Agreement).

3. To the best of the Company's knowledge, (i) neither the Company nor any entity affiliated with the Company is in default or breach of any term or condition of the Development Agreement, and (ii) the Company has satisfied the obligations of the Company under the Development Agreement with respect to the substantial completion of the Project.

IN WITNESS WHEREOF, the undersigned has duly executed this Certificate on the _____ day of _____, 202__.

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EQUIPMENTSHARE.COM INC., a Delaware corporation

By: _____
Name: _____
Title: _____

ACCEPTED:

CITY OF MOBERLY, MISSOURI

By: _____
Name: _____
Title: _____

\$55,000,000
(Aggregate Maximum Principal Amount)
City of Moberly, Missouri
Taxable Industrial Revenue Bonds
(EquipmentShare.com Inc. Manufacturing, Refurbishment and
Distribution Facility Project)
Series 2023

BOND PURCHASE AGREEMENT

_____ 1, 2023

City of Moberly, Missouri
 101 West Reed - City Hall
 Moberly, Missouri 652705

On the basis of the representations, and covenants and upon the terms and conditions contained in this Bond Purchase Agreement (this “**Purchase Agreement**”), EquipmentShare.com Inc. a Delaware corporation (the “**Purchaser**”), offers to purchase from the City of Moberly, Missouri (the “**City**”), the above-referenced Taxable Industrial Revenue Bond (EquipmentShare.com Inc. Manufacturing, Refurbishment and Distribution Facility Project) Series 2023, dated as provided in the Indenture (as hereinafter defined), in the maximum aggregate principal amount of \$55,000,000 (collectively, the “**Bonds**”), to be issued by the City, under and pursuant to an Ordinance adopted by the governing body of the City on February 21, 2023 (the “**Bond Ordinance**”) and a Trust Indenture, dated as of _____1, 2023 (the “**Indenture**”) by and between the City and BOKF, N.A., St Louis, Missouri, as trustee (the “**Trustee**”). *Capitalized terms used and not otherwise defined in this Purchase Agreement shall have the meanings respectively set forth in the Indenture.*

SECTION 1. REPRESENTATIONS AND AGREEMENTS

(a) By the City’s acceptance of this Purchase Agreement the City hereby represents and warrants to the Purchaser that:

(1) *Organization and Existence.* The City is a city of the third classification duly organized and validly existing under the laws of the State of Missouri. The City is authorized pursuant to the Constitution and laws of the State of Missouri, and the laws and ordinances of the City, and all necessary action has been taken to authorize, issue and deliver the Bonds and to consummate all transactions contemplated by the Bond Ordinance, this Purchase Agreement, the Bond Ordinance, the Indenture, the Lease, and the Development Agreement and any and all other certifications and instruments relating thereto. The proceeds of the Bonds shall be used to finance the Project and to pay for the costs incurred in connection with the issuance of the Bonds.

(2) *No Litigation.* There is no controversy, suit or other proceeding of any kind pending or, to the actual knowledge of the City, threatened questioning, disputing or affecting in any way the legal organization of the City, or the right or title of any of the City’s officers to their respective offices, or the legality of any official act leading up to the issuance of the Bonds or the constitutionality or validity of the obligations represented by the Bonds or the validity of the Bonds, the Lease, the Indenture or the Development Agreement.

(b) The Purchaser represents and warrants to the City as follows:

(1) *Organization and Existence.* The Purchaser is a corporation organized, validly existing and in good standing under the laws of the State of Delaware and is duly authorized to do business in and be subject to service of process in Missouri. The Purchaser has obtained or will obtain all necessary licenses and permits required to carry on the Purchaser’s business to be conducted on the Property and has caused to be obtained or will cause to be obtained all necessary licenses and permits in connection with the purchase, construction and operation of the Project. The Purchaser is not in violation of and has not received any notice of an alleged violation of or liability under any zoning, land use, environmental, pollution control, hazardous waste or similar laws or regulations that would have a material adverse effect on the Purchaser’s operations or financial condition and has full right, power and authority to authorize, approve, enter into, execute and deliver the Lease, the Development Agreement, the Special Warranty Deed from the Purchaser, as grantor, to the City, as grantee, and this Purchase Agreement (collectively, the “**Company Documents**”) and to perform such other acts and things as are provided in the Company Documents.

(2) *No Conflict or Breach.* The execution, delivery, performance (where applicable) and approval by the Purchaser of the Company Documents, and full compliance by the Purchaser with the provisions of the Company Documents, have been duly authorized by all necessary action of the Purchaser and do not and will not conflict with or result in the breach of any of the terms, conditions or provisions of, or constitute a default under, the Purchaser’s organizational documents, any law, court or administrative regulation, decree or order applicable to or binding upon Purchaser, or any agreement, indenture, mortgage, lease or instrument to which the Purchaser is a party or by which the Purchaser is bound.

(3) *Approvals.* The Purchaser has duly authorized all necessary action to be taken by the Purchaser for: (i) the purchase of the Bonds from the City upon the terms and conditions set forth herein and in the Indenture, and (ii) the execution, delivery and performance (where applicable) of the Company Documents and any and all such other agreements and documents as may be required to be executed, delivered and performed by the Purchaser to carry out, effectuate and consummate the transactions contemplated hereby and by such Company Documents.

(4) *No Litigation.* 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

knowledge of the Purchaser, threatened against or affecting the Purchaser wherein an unfavorable decision, ruling or finding could have a material and adverse effect on the financial condition of the Purchaser or the operation by the Purchaser of the Purchaser's property or of the transactions contemplated by the Company Documents or on the validity or enforceability in accordance with their respective terms of the Company Documents or any other agreement or instrument to which the Purchaser is a party or by which the Purchaser is or may be bound or would in any way contest the existence or powers of the Purchaser or any amounts to be received by the City pursuant to the Indenture, the Lease or the Development Agreement.

(5) *Documents Legal, Valid and Binding.* The Purchaser shall, on or before the Closing Date (as hereinafter defined), execute and deliver the Company Documents. When executed and delivered by the Purchaser, the Company Documents will be legal, valid and binding obligations, enforceable in accordance with their respective terms, subject, as to enforcement, to any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally and further subject to the availability of equitable remedies.

(6) *Purchaser's Certificates.* Any certificate signed by an authorized officer or agent of the Purchaser and delivered to the City shall be deemed a representation and warranty by Purchaser to such parties as to the statements made therein.

(7) *No Default Under Company Documents.* No event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a breach of or an event of default by Purchaser under the Company Documents.

(c) The representations and warranties provided under paragraphs (a) and (b), above shall survive closing on the initial issue of Bonds and shall be deemed reaffirmed as to paragraph (a) by the City and as to paragraph (b) by the Purchaser from time to time as of each making of Additional Payment, all as provided in the Indenture, the Lease and this Purchase Agreement.

SECTION 2. PURCHASE, SALE AND DELIVERY OF THE BONDS

On the basis of the representations and covenants contained in this Purchase Agreement and in the other agreements referred to herein, and subject to the terms and conditions set forth in this Purchase Agreement and in the Indenture, the Purchaser agrees to purchase from the City and the City agrees to sell to the Purchaser the Bonds on the terms and conditions set forth herein.

The Bonds shall be sold to the Purchaser by the City on the Closing Date upon payment of an amount equal to the Closing Price (as hereinafter defined), which amount shall be applied as provided in the Indenture and the Lease. The Purchaser shall make Additional Payments from time to time after the Closing Date to the Trustee under the Indenture which Additional Payments shall be applied to the payment of Project Costs or as provided by the Indenture and the Lease; *provided that* the sum of the Closing Price and all such Additional Payments shall not, in the aggregate, exceed \$55,000,000, plus the Costs of Issuance of the Bonds. As used in this Purchase Agreement, the term "Closing Date" shall mean the date of this Purchase Agreement or such other

date as shall be mutually agreed upon by the City and the Purchaser; the term “Closing Price” shall mean the payment by the Purchaser on or before the Closing Date of all amounts specified in Section 4.1 of the Development Agreement.

The Bonds shall be issued under and secured as provided in the Bond Ordinance, the Indenture, and the Lease, and the Bonds shall have the maturity, interest rate and shall be subject to redemption as set forth therein. The delivery of the Bonds shall be made in definitive form as a single fully registered bond in the aggregate maximum principal amount of \$55,000,000; *provided that* the principal amount of the Bonds Outstanding at any time shall be that amount recorded on the Register maintained by the Trustee; and *provided further* that interest shall be payable on the Bonds only on the Outstanding principal amount of the Bonds, as more fully provided in the Indenture. Any certificate signed by an authorized officer or agent of the Purchaser and delivered to the City shall be deemed a representation and warranty by the Purchaser to such parties as to the statements made therein.

The Purchaser agrees to indemnify, defend, and hold harmless the City, the Trustee or any member, officer, official, attorney or employee of the City or of the Trustee (collectively, the “**Indemnified Parties**”), against any and all losses, claims, damages, liabilities or expenses whatsoever caused by any violation or failure to comply with Section 15 of the Securities Act of 1933, as amended and any other applicable any federal or state securities laws in connection with the Bonds.

In case any action shall be brought against one or more of the Indemnified Parties based upon the foregoing indemnification and in respect of which indemnity may be sought against the Purchaser, the Indemnified Parties shall promptly notify the Purchaser in writing and the Purchaser shall promptly assume the defense thereof, including the employment of counsel, the payment of all expenses and the right to negotiate and consent to settlement. Any one or more of the Indemnified Parties shall have the right to employ separate counsel (each, an “**Additional Counsel**”) in any such action and to participate in the defense thereof, but the fees and expenses of such Additional Counsel shall be at the expense of such Indemnified Party or Indemnified Parties unless employment of such Additional Counsel has been specifically authorized by the Purchaser or unless there exists a conflict of interest which would prevent counsel for the Purchaser from adequately representing both the Purchaser and the Indemnified Party. The Purchaser shall not be liable for any settlement of any such action effected without the Purchaser’s consent by any of the Indemnified Parties, but if settled with the consent of the Purchaser or if there be a final judgment for the plaintiff in any such action against the Purchaser or any of the Indemnified Parties, with or without the consent of the Purchaser, the Purchaser agrees to indemnify, defend, and hold harmless the Indemnified Parties to the extent provided in this Purchase Agreement.

SECTION 3. CONDITIONS TO THE OBLIGATIONS

The obligations under this Purchase Agreement shall be subject to the due performance by the parties of the obligations and agreements to be performed hereunder on or prior to the Closing Date and to the accuracy of and compliance with the representations contained herein, as of the date of this Purchase Agreement and as of the Closing Date and, with respect to the making of

Additional Payments, as of the date of each subsequent Additional Payment, and are also subject to the following conditions:

(a) There shall be delivered to the Purchaser on or prior to the Closing Date a duly executed copy of this Purchase Agreement, the Bond Ordinance, the Indenture, the Lease and the Development Agreement, and any other instrument contemplated thereby and such documents shall be in full force and effect and shall not have been modified or changed except as may have been agreed to in writing by the Purchaser.

(b) The City shall confirm by a certificate that at and as of the Closing Date the City has taken all action necessary to issue the Bonds and that there is no controversy, suit or other proceeding of any kind pending or, to the actual knowledge of the City, threatened wherein any question is raised affecting in any way the legal organization of the City or the legality of any official act shown to have been done in the transcript of proceedings leading up to the issuance of the Bonds, or the constitutionality or validity of the obligations represented by the Bonds or the validity of the Bonds or any proceedings in relation to the issuance or sale thereof.

(c) There shall be delivered to the City a certificate of the Purchaser, dated as of the Closing Date to the effect that (i) no litigation, proceeding or investigation is pending against the Purchaser or the Purchaser's Affiliates or, to the knowledge of the Purchaser, threatened which would (A) contest, affect, restrain or enjoin the issuance, validity, execution, delivery or performance of the Company Documents, or (B) in any way contest the existence or powers of the Purchaser or the Purchaser's Affiliates, (ii) no litigation, proceeding or investigation is pending or, to the knowledge of the Purchaser, threatened against the Purchaser or the Purchaser's Affiliates except litigation, proceedings or investigations in which the probable ultimate recoveries and the estimated costs and expenses of defense, in Purchaser's reasonable judgment, will not have a material adverse effect on the operations or condition, financial or otherwise, of the Purchaser and the Purchaser's Affiliates; (iii) the representations and warranties of the Purchaser in this Purchase Agreement and in the Company Documents were and are true and correct in all material respects and not misleading as of the date made and the Closing Date; (iv) at the Closing Date, no event of default has occurred and is continuing and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a breach of or an event of default under any of the Company Documents; and (v) such other matters as are reasonably requested by the other parties in connection with the initial issuance of the Bonds.

(d) In the case of each Additional Payment, the delivery by the Purchaser of such Additional Payment and the acceptance by the City of the portion of the Project to be acquired in connection with such Additional Payment shall be deemed to be reaffirmation as of the date of such Additional Payment by the parties of the accuracy of and their respective compliance with the representations and warranties set forth in this Purchase Agreement, including, without limitation, the foregoing paragraphs (a), (b) and (c) , and given as of the date hereof and the Closing Date.

SECTION 4. PURCHASER'S RIGHT TO CANCEL

The Purchaser shall have the right to cancel the Purchaser's obligation to purchase the Bonds by notifying the City in writing of the Purchaser's election to make such cancellation at any time prior to the Closing Date; *provided that* the Purchaser has paid or caused to be paid all costs of the City in connection with the Project, the Development Agreement, the Initial Funding Agreement (as that term is used and defined in the Development Agreement) and the Bonds accrued through the date of the City's receipt of such notice.

SECTION 5. CONDITIONS OF OBLIGATIONS

The obligations of the parties hereto are subject to the receipt of the approving opinion of Gilmore & Bell, P.C., Bond Counsel, with respect to the validity of the authorization and issuance of the Bonds.

SECTION 6. REPRESENTATIONS AND AGREEMENTS TO SURVIVE DELIVERY

The representations and warranties of each party are made as of the date of this Purchase Agreement and the Closing Date. All of the representations and agreements by either party shall survive delivery of the Bonds to the Purchaser and shall be reaffirmed by such parties from time to time at the times of the making of each Additional Payment by the Purchaser; *provided that* the delivery by the Purchaser of such Additional Payment and the acceptance by the City of the portion of the Project to be acquired in connection with such Additional Payment shall be deemed to be reaffirmation as of the date of such Additional Payment by the parties of the accuracy of and their respective compliance with the representations and warranties set forth in this Purchase Agreement and given as of the date hereof and the Closing Date.

SECTION 7. NOTICE

Any notice or other communication to be given to the City under this Purchase Agreement may be given by mailing or delivering the same in writing to the City of Moberly, Missouri, 101 West Reed Street - City Hall, Moberly, Missouri 65270, Attention: City Manager; and any notice or other communication to be given to the Purchaser under this Purchase Agreement may be given by delivering the same in writing to EquipmentShare.com Inc., 5710 Bull Run Drive, Columbia, Missouri 65201.

SECTION 8. PAYMENT OF EXPENSES

On the Closing Date the Purchaser shall pay all unpaid amounts due from the Purchaser under the Initial Funding Agreement and the Development Agreement.

SECTION 9. APPLICABLE LAW; CHOICE OF FORUM; ASSIGNABILITY

This Purchase Agreement and its performance shall be governed by and construed under the laws of the State of Missouri applicable to contracts made and to be performed wholly within such state, without regard to choice or conflict of laws provisions. The parties hereto agree that

any action at law, suit in equity, or other judicial proceeding arising out of this Agreement shall be instituted only in the Circuit Court of Randolph County, Missouri or in federal court of the Eastern District of Missouri and waive any objections based upon venue or *forum non conveniens* or otherwise. This Purchase Agreement may be assigned by the Purchaser to any entity controlled by, under common control with, or controlling the Purchaser. As a condition precedent to such assignment, any such assignee shall agree in writing to be bound by the terms of this Purchase Agreement.

SECTION 10. EXECUTION IN COUNTERPARTS

This Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

Very truly yours,

EQUIPMENTSHARE.COM INC., as
Purchaser

By: _____
Name:
Title:

ATTEST:

By: _____
Name:
Title:

AGREED TO AND ACCEPTED as of this _____ day of _____, 2023.

CITY OF MOBERLY, MISSOURI

By: _____
Jerry Jeffrey, Mayor

ATTEST:

By: _____
Shannon Hance, City Clerk

LEASE PURCHASE AGREEMENT

Dated as of _____ 1, 2023

Between

CITY OF MOBERLY, MISSOURI

AND

EQUIPMENTSHARE.COM INC.
as Lessee

Relating to:

\$55,000,000
(Aggregate Maximum Principal Amount)
City of Moberly, Missouri
Taxable Industrial Revenue Bonds
(EquipmentShare.com Inc. Manufacturing, Refurbishment and
Distribution Facility Project)
Series 2023

The interest of certain rights of the City of Moberly, Missouri (the “City”), in this Lease Purchase Agreement has been pledged and assigned to BOKF, N.A., as trustee (the “Trustee”) under the Trust Indenture dated as of _____ 1, 2023, between the City and the Trustee (the “Indenture”).

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LEASE PURCHASE AGREEMENT

THIS LEASE PURCHASE AGREEMENT, is made and dated as of _____ 1, 2023 (this “**Lease**”), by and between the CITY OF MOBERLY, MISSOURI, a city of the third classification and municipal corporation organized and existing under the laws of the State of Missouri and having a principal office at 101 West Reed Street, Moberly, Missouri 65270, as lessor (the “**City**”), and EQUIPMENTSHARE.COM INC., a Delaware corporation duly authorized to do business in Missouri and having a principal office at 5710 Bull Run Drive, Columbia, Missouri 65201, together with Affiliates, successors and permitted assigns, as lessee (the “**Company**”). *Capitalized terms used and not otherwise defined in this Lease shall have the meanings set forth in Section 1.1 of this Lease.*

WITNESSETH:

WHEREAS, the City is authorized under the Acts to issue revenue bonds to provide funds for the carrying out of a "project" (as that term is defined in section 100.010 of the Revised Statutes of Missouri, as amended) and to sell, lease or mortgage to private persons, partnerships or corporations the facilities purchased, constructed or extended by the City which may consist of warehouses, distribution facilities, research and development facilities, office industries, agricultural processing industries, service facilities which provide interstate commerce and industrial plants; and

WHEREAS, pursuant to the Acts, the City Council on February 21, 2023 after duly noticed public hearing adopted Ordinance No. _____ (1) approving a plan for the Project, (2) approving the Development Agreement and (3) authorizing, among other things, the issuance by the City of its Taxable Industrial Revenue Bonds (EquipmentShare.com Inc. Manufacturing, Refurbishment and Distribution Facility Project) Series 2023 in a maximum aggregate principal amount of not to exceed \$55,000,000 for the purpose of financing the Project on the Property; execution and delivery by the City of this Indenture for the purpose of issuing and securing the Bonds; to entering by the City into the Lease under which the City as lessor will lease the Property and the Project as renovated and completed to the Company as lessee, in consideration of rentals which will be sufficient to pay when and as due the principal of and interest on the then-current Cumulative Outstanding Principal Amount of Bonds, and annually acceptance, but not later than December 31, 2028, by the City of completed portions of the Financed Facilities and the Financed Equipment, all as provided in the Lease and in accordance with the Acts; and

WHEREAS, pursuant to and in consideration of the foregoing, the City desires to lease to the Company the Property and the Project and the Company desires to lease the Property and the Project from the City, for the rentals and upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and agreements herein contained, and of other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the City and the Company do hereby represent, 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 and the words and terms defined in Section 101 of the Indenture, which definitions are hereby incorporated in this Lease by reference, the following words and terms as used in this Lease shall have the following meanings:

“Additional Rent” shall mean the additional rentals described in Section 5.2 of this Lease.

“Allowable Encumbrances” shall mean, as of any particular time (a) liens for ad valorem taxes and special assessments not then delinquent or which are being contested in accordance with Section 6.2 of this Lease; (b) the Indenture, this Lease, or any Leasehold Mortgage; (c) utility, access and other easements and rights-of-way, mineral rights, restrictions, environmental covenants, or use restrictions that will not materially interfere with or impair the operations being conducted on the Property by the Company or easements granted to or by the City; (d) filed mechanics liens which are discharged or contested in accordance with Section 8.5 of this Lease; (e) such minor defects, irregularities, encumbrances, easements, and rights-of-way as normally exist with respect to properties similar in character to the Property and as do not in the aggregate materially impair the Property or the Project for the purpose for which the Financed Facilities and the Financed Equipment were acquired or are held by the City or the operations of the Company under this Lease; (f) any other liens, encumbrances, leases, easements, restrictions or covenants consented to in writing by the owner of 100% of the principal amount of the Bonds then Outstanding; and (g) any liens or security interests granted pursuant to any financing documents in furtherance of a Leasehold Mortgage.

“Applicable Regulations” shall have the meaning ascribed to this term in the Development Agreement.

“Basic Rent” shall mean the rental payments described in Section 5.1 of this Lease.

“Bond Documents” shall mean, collectively, the forms of the Bonds, the Indenture, this Lease, the Bond Purchase Agreement and such other transactional documents as are necessary or convenient to allow the City from time to time to issue and secure the Bonds for the acquisition and financing of the Project, the Property, the Financed Facilities and the Financed Equipment.

“Completion Date” shall mean the date set forth in the certificate furnished pursuant to Section 4.5 of this Lease which date shall in no event be later than December 31, 2028, unless extended due to force majeure in accordance with the terms of Section 7.16 of the Development Agreement.

“EDC” shall mean the Moberly Area Economic Development Corporation, a Missouri nonprofit corporation having a principal office at 115 North Williams Street, Moberly, Missouri 65270.

“Environmental Laws” shall mean and include the Resource Conservation and Recovery Act (42 U.S.C. §6901 et seq.), as amended by the Hazardous and Solid Waste Amendments of 1984; the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C.

§9601 et seq.), as amended by the Superfund Amendments and Reauthorization Act of 1986; the Hazardous Materials Transportation Act (49 U.S.C. §5101 et seq.); the Toxic Substances Control Act (15 U.S.C. §2601 et seq.); the Clean Air Act (42 U.S.C. §7401 et seq.); the Clean Water Act (33 U.S.C. §1251 et seq.); the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. §136 et seq.); the Occupational Safety and Health Act (29 U.S.C. §651 et seq.); any state super-lien and environmental clean-up statutes; and all other applicable federal, state and local environmental laws, including, without limitation, obligations under the common law, ordinances, rules, regulations and publications, and any other legal requirements, now or hereafter existing relating to the pollution and protection of the environment, the preservation or reclamation of natural resources, the management or release of Hazardous Substances, or to human health or safety.

“Event of Default” shall mean, with respect to this Lease, the occurrence and continuing beyond any applicable notice and cure period of any one or more of the events described in Section 12.1 of this Lease.

“Financing Document” shall mean any loan agreement, credit agreement, security agreement, mortgage, participation agreement, lease agreement, sublease, hedging agreement or other document executed by or on behalf of a Financing Party.

“Financing Party” shall mean any Person providing debt, lease, or equity financing (including equity contributions or commitments) or hedging arrangements, or any renewal, extension, or refinancing of any such financing or hedging arrangements, or any guarantee, insurance, letters of credit, or credit support for or in connection with such financing or hedging arrangements, in connection with the acquisition, installation, ownership, lease, operation, or maintenance of the Project or interests or rights in the Lease or any part thereof, including any trustee or agent acting on such Person’s behalf.

“Full Insurable Value” shall mean the reasonable replacement cost of the Financed Facilities and the Financed Equipment, less physical depreciation and exclusive of land, excavations, footings, foundation and parking lots as determined in accordance with Section 7.2(a) of this Lease.

“Hazardous Substances” shall mean: (i) those substances (whether solid, liquid or gas), included within the definitions of or identified as "hazardous substances," "hazardous materials," or "toxic substances," in or pursuant to, without limitation, the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. §9601 et seq.), as amended by Superfund Amendments and Reauthorization Act of 1986 (Pub. L. 99-499, 100 Stat. 1613); the Resource Conservation and Recovery Act of 1976 (42 U.S.C., § 6901 et seq.); the Clean Water Act (33 U.S.C. § 1251 et seq.); the Occupational Safety and Health Act of 1970 (29 U.S.C. § 651 et seq.); and the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 et seq.; or in the regulations promulgated pursuant to the aforesaid laws, all as amended; (ii) those substances listed in the United States Department of Transportation Table (40 CFR 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) as hazardous substances (40 CFR Part 302 and amendments thereto); (iii) any material, waste, substance, pollutant or contamination which is or contains (A) petroleum, its derivatives, by-products and other hydrocarbons, including crude oil or any fraction thereof, natural gas, or synthetic gas usable for fuel or any mixture thereof; (B) asbestos and/or asbestos-containing materials in any form that

is or could become friable; (C) polychlorinated biphenyls; (D) flammable explosives; (E) infectious or medical waste; or (F) radioactive materials; and (iv) such other substances, materials, wastes, pollutants and contaminants which are or become regulated as hazardous, toxic or "special wastes" under applicable local, state or federal law, or the United States government, or which are classified as hazardous, toxic or as "special wastes" under any Environmental Laws.

“Leasehold Mortgage” shall mean any leasehold mortgage, leasehold deed of trust, assignment of rents and leases, security agreement or other financing arrangement or agreement relating to the Property, the Financed Facilities or the Financed Equipment permitted pursuant to the provisions of Section 10.4 of this Lease.

“Lease Term” shall mean the period from the effective date of this Lease until the expiration thereof pursuant to Section 3.2 of this Lease.

“Net Proceeds” shall mean, when used with respect to any insurance or condemnation award with respect to the Property, the Financed Facilities or the Financed Equipment, the gross proceeds from the insurance or condemnation award with respect to which that term is used remaining after payment of all expenses (including attorneys’ fees, trustee’s fees and any other reasonable out-of-pocket expenses of the City and the Trustee) incurred in the collection of such gross proceeds.

“Person” shall mean an individual, partnership, corporation, business trust, joint stock company, limited liability company, bank, insurance company, unincorporated association, joint venture, or other entity of whatever nature.

Section 1.2. Rules of Interpretation.

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(b) 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 governmental entities, as well as natural persons.

(c) Wherever this Lease provides that either party shall or will make any payment or perform or refrain from performing any act or obligation, each such provision shall, even though not so expressed, be construed as an express covenant to make such payment or to perform, or not to perform, as the case may be, such act or obligation.

(d) All references in this instrument to designated “articles,” “sections” and other subdivisions are, unless otherwise specified, to the designated articles, sections and subdivisions of this instrument as originally executed. 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.

(e) The Table of Contents and the article and section headings of this Lease shall not be treated as a part of this Lease or as affecting the true meaning of the provisions hereof.

Section 1.3. Computation of Time. Wherever this Lease calls for the performance of any act by reference to a day or number of days, to a month or number of months or to a year or number of years, each such computation shall be made based upon calendar days, calendar months, and calendar years, as applicable unless otherwise expressly provided.

ARTICLE II REPRESENTATIONS

Section 2.1. Representations by the City. The City makes the following representations as the basis for the undertakings on the City's part contained in this Lease:

(a) The City is a city of the third classification duly organized and validly existing under the laws of the State of Missouri. Under the provisions of the Acts, the City has lawful power and authority to enter into this Lease and to carry out the City's obligations hereunder. By proper action of the City Council, the City has been duly authorized to execute and deliver this Lease, acting by and through the City's duly authorized officers.

(b) The City will acquire the Property and the Financed Facilities and the Financed Equipment subject to Allowable Encumbrances, all on the terms and conditions set forth in the Development Agreement. The City proposes to lease the Property, the Financed Facilities and the Financed Equipment and the portions thereof from time to time to the Company and to sell the Property, the Financed Facilities and the Financed Equipment to the Company pursuant to the Company's purchase option and obligation set forth in Article XI of this Lease, all for the purpose of furthering the public purposes of the Acts, and the City Council has found and determined that the acquisition of the Property, the Financed Facilities and the Financed Equipment and the leasing of the Property, the Financed Facilities and the Financed Equipment to the Company in accordance with the terms of this Lease will further the public purposes of the Acts.

(c) To finance the acquisition of the Financed Facilities and the Financed Equipment, the City proposes to issue the Bonds which will be scheduled to mature and will be subject to redemption prior to maturity in accordance with the provisions of the Indenture.

(d) The Bonds shall be issued under and secured by the Indenture pursuant to which all rents, revenues and receipts to be derived by the City from the leasing or sale of the Property, the Financed Facilities and the Financed Equipment will be pledged and assigned to the Trustee as security for payment of the principal of and interest on the Bonds.

(e) The City will not mortgage, grant any interest in or otherwise encumber the Property, the Financed Facilities or the Financed Equipment or pledge the revenues derived therefrom or hereunder for any bonds or other obligations other than the Bonds except with the written consent of the Authorized Company Representative and the owners of 100% of the principal amount of the Bonds then Outstanding.

(f) The City shall have no authority to operate the Project, the Property, the Financed Facilities or the Financed Equipment or any portion thereof as or for a business or in any other

manner except as the lessor thereof pursuant to the terms of this Lease including, without limitation, during any period subsequent to any termination of this Lease should the City continue to own such assets.

(g) No member of the City Council or any other officer or elected official of the City has any significant or conflicting interest, financial, employment or otherwise, in the Company or in the transactions contemplated hereby.

(h) The Property and the Project are located wholly within the City.

Section 2.2. Representations by the Company. The Company makes the following representations as the basis for the undertakings on the Company’s part contained in this Lease:

(a) The Company is a corporation, validly existing and in good standing under the laws of the State of Delaware and is duly authorized to conduct business in the State of Missouri.

(b) The Company has lawful power and authority to enter into this Lease and to carry out the Company’s obligations under this Lease and the Company has been duly authorized to execute and deliver this Lease, acting by and through the Company’s duly authorized officers and representatives.

(c) The execution and delivery of this Lease, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Lease by the Company 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 restrictions or any agreement or instrument to which the Company is a party or by which the Company or any of the Company’s property is bound, or the Company’s organizational documents or any order, rule or regulation applicable to the Company or any of the Company’s property of any court or governmental body, or constitute a default under any of the foregoing, 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 Company under the terms of any instrument or agreement to which the Company is a party.

(d) The Company and not the City, will be subject to, and remain the party responsible and liable for, all matters related to compliance in all material respects with applicable ordinances, laws, rules and regulations, including, without limitation, Environmental Laws, for the Property, the Project, the Financed Facilities and the Financed Equipment. The Company further covenants, represents and warrants to the City that the Property, the Financed Facilities, the Financed Equipment and the Project are, as of the date of this Lease, and will continue to be at all times during the term of this Lease in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Project the Financed Facilities, the Financed Equipment or the Property, including, without limitation, all Environmental Laws.

**ARTICLE III
GRANTING PROVISIONS**

Section 3.1. Granting of Leasehold Estate. The City hereby rents, leases and lets the Property and, as renovated, installed, and accepted by the City pursuant to the terms and conditions of the Development Agreement and the Indenture, the Financed Facilities and the Financed Equipment to the Company, and the Company hereby rents, leases and hires the Property, subject to Allowable Encumbrances, and as renovated, installed, and accepted by the City pursuant to the terms and conditions of the Development Agreement and the Indenture, the Financed Facilities and the Financed Equipment from the City for the rentals and upon and subject to the terms and conditions of this Lease.

Section 3.2. Lease Term. This Lease shall become effective upon execution and delivery, and subject to earlier termination pursuant to the provisions of this Lease, shall have a term commencing as of the date of this Lease and expiring on the later of: (i) December 31, 2034 (12 years following the last date for acceptance by the City of any portion of the Financed Facilities or the Financed Equipment;) or (ii) with respect to each portion of the Bonds represented by an annual endorsement of principal, December 1 of that year which is Twelve (12) years from the year of such annual endorsement as set forth on the Table to which an Additional Payment/Principal Amount Advanced (all as provided in Section 208(e) of the Indenture) pertains.

Section 3.3. Possession and Use of the Project; Company Covenants.

(a) The City covenants and agrees that as long as neither the City nor the Trustee has exercised any of the remedies set forth in Section 12.2 of this Lease following the occurrence and continuance beyond any applicable notice and cure period of an Event of Default, the Company shall have sole and exclusive possession of the Project (subject to Allowable Encumbrances and the City's and the Trustee's right of access pursuant to Section 10.3 of this Lease) and shall and may peaceably and quietly have, hold and enjoy the Project during the Lease Term. The City covenants and agrees that the City will not take any action, other than expressly pursuant to Article XII of this Lease, to prevent the Company from having quiet and peaceable possession and enjoyment of the Project during the Lease Term and will, at the request and expense of the Company, cooperate with the Company in order that the Company may have quiet and peaceable possession and enjoyment of the Project and will defend, at the sole expense of the Company and subject to the terms of the Indenture, the Development Agreement and this Lease, the Company's enjoyment and possession thereof against all parties.

(b) Subject to the provisions of this Section 3.3, the Company shall have the right to use the Project for any lawful purpose contemplated by the Acts and consistent with the terms of the Development Agreement. The Company shall comply with all Applicable Laws. The Company shall also comply with the mandatory requirements, rules and regulations of all insurers under the policies carried under the provisions of the Development Agreement and Article VII of this Lease. The Company shall pay all costs, out-of-pocket costs and 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 Company to comply with the provisions of this Section 3.3 or with the provisions of the Development Agreement applicable to the Company. Notwithstanding any provision contained in this Section 3.3, however, the Company shall have the right, at the Company's 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 Company may refrain from complying therewith.

ARTICLE IV ACQUISITION OF THE PROPERTY AND EQUIPPING OF THE PROJECT

Section 4.1. Issuance of Bonds.

(a) To provide for the acquisition by the City of the Property, the Financed Facilities and the Financed Equipment, and the payment of Project Costs, the City shall issue the Bonds as provided in the Indenture. Contemporaneously with the execution and delivery of this Lease, proceeds from the initial sale of the Bonds in the amount of the Closing Price (as that term is used and defined in in the Bond Purchase Agreement) shall be paid over to the Trustee for the account of the City and the Trustee shall endorse the Bonds in an amount equal to the Closing Price and shall hold the Bonds in trust for the Bondowner.

(b) Following the initial issuance and delivery of the Bonds, the Company may submit additional requisition certificates in accordance with Section 4.4 of this Lease but not more frequently than annually on or about but not later than December 1 in any year, each of which requisition certificates shall be deemed an Additional Payment and in each such case (i) the Company shall be deemed to have paid over to the Trustee and the Trustee shall be deemed to have deposited and applied such amounts as provided in Section 208 and in Article V of the Indenture and (ii) the Trustee shall endorse the Bonds on the Table by adding the amount of each such Additional Payment as “Principal Amount Advanced” thereon up to the maximum aggregate principal amount of not to exceed \$55,000,000. The Trustee shall promptly deposit such Additional Payments, when and as received, as provided in the Indenture to be used and applied as provided therein. Alternatively, the Trustee may (pursuant to Section 208(e) of the Indenture) endorse the Bonds from time to time in the amounts of Additional Payments received or deemed to have been received, all as set forth in the requisition certificates submitted pursuant to Section 4.4 of this Lease and, in such event, the Bondowner shall be deemed to have deposited funds with the Trustee in an amount equal to the amount stated in such requisition certificate.

Section 4.2. Purchase of Property, Financed Facilities, Financed Equipment. The City and the Company further agree that the Company shall, but solely from monies deposited in or credited to the Acquisition Fund pursuant to the Indenture and this Article IV, from time to time, renovate the Property and install the Financed Facilities and the Financed Equipment and the City shall purchase the Property, the Financed Facilities and the Financed Equipment as follows:

(a) The City will acquire the Property contemporaneous with the execution and delivery of this Lease on the terms and conditions specified in the Development Agreement. Following the City’s acquisition of the Property, the City shall acquire the portions of the Financed Facilities and the Financed Equipment, as constructed, furnished, installed, and completed by the Company in accordance with the Development Agreement and not more frequently than once in each calendar year and in each such case in exchange for the making of Additional Payments in amounts equal to the value of the portions of the Financed Facilities and the Financed Equipment

transferred in fee to and accepted by the City, as evidenced by the written approval by the City from time to time of requisitions executed and delivered by the Company to the Trustee, all pursuant to the Development Agreement and applicable Supplemental Leases, each in substantially the form attached as Exhibit D to and incorporated by reference in this Lease.

(b) The Company shall install the Financed Facilities and the Financed Equipment at and on the Property; *provided that* the City and the Company recognize that the Financed Equipment is subject to change during the Lease Term and agree that the definitive lists of Facilities and Financed Equipment shall be the respective lists provided by the Company to the Trustee pursuant to Section 4.7 of this Lease. The Company acknowledges and agrees that the Financed Facilities and the Financed Equipment as so acquired and installed are or will be suitable for use by the Company for the Company's purposes.

(c) So long as no Event of Default shall have occurred and be continuing beyond any applicable notice and cure period, the City will assign to the Company all rights or interests in the warranties and guaranties of all contractors, subcontractors, suppliers, architects and engineers for the furnishing of labor, materials or equipment or supervision or design in connection with the Financed Facilities and the Financed Equipment and any rights or causes of action arising from or against any of the foregoing, and the City will cooperate, at the sole cost of the Company, in the enforcement of such warranties and guaranties in any manner reasonably requested by the Company.

(d) Conveyance of title to the Financed Facilities shall be by special warranty deed. Title to the Financed Equipment shall be evidenced by bills of sale or other instruments of transfer, including purchase orders or other instruments pursuant to which the City acquires title to personal property. On or before March 1 of each year or such other date required by law for reporting personal property declarations, the Company shall furnish to the City and the Trustee a list of items (based on the Company's internal record keeping) comprising the Financed Equipment as of January 1 of such year. The improper inclusion or exclusion of any Financed Equipment pursuant to such list may be rectified by the Company within thirty (30) days after notice of such improper inclusion or exclusion. The improper inclusion or exclusion of an item on or from such list shall not affect the items comprising the Financed Equipment for the purpose of this Lease, any applicable Supplemental Lease or title thereto as intended by the parties hereto. The Company shall provide such information to the City and the Trustee as may be requested in order to ensure that such list corresponds to the list maintained by the Trustee pursuant to Section 4.7 of this Lease. Each bill of sale or other instrument of transfer and each personal property declaration form shall be of sufficient specificity so as to enable the City and applicable officials of the County of Randolph (including, without limitation, the Randolph County Assessor) to determine which personal property as reported on the annual personal property declaration constitutes Financed Equipment (and therefore is owned by the City) and which personal property does not constitute Financed Equipment (and therefore is owned by the Company). The City and the Company agree that, pursuant to Section 4.8 of this Lease, any property purchased in whole or in part by the Company with the Company's own funds, and not paid or reimbursed from Bond proceeds, shall not constitute part of the Financed Equipment or Financed Facilities and shall remain the property of the Company and therefore subject to taxation.

Section 4.3. Project Costs. The City hereby agrees to pay or cause to be paid, but solely from amounts deposited in or deemed to be deposited in the Acquisition Fund pursuant to Sections

208(d) or (e) of the Indenture, and hereby authorizes and directs the Trustee to pay for, but solely from such amounts deposited in or deemed to be deposited in the Acquisition Fund, any Project Costs upon receipt by the Trustee of a certificate pursuant to Section 4.4 of this Lease; *provided that* all such disbursements shall be made in strict accordance with Section 503 of the Indenture and in no event shall the City or the Trustee be liable for or in respect of any actual deficiencies in the Acquisition Fund.

Section 4.4. Payment for Project Costs. For the purpose of paying Project Costs as specified in Section 4.3 of this Lease, the City hereby authorizes and directs the Trustee to make disbursements from the Acquisition Fund upon receipt by the Trustee of certificates which shall be submitted not more frequently than annually on or about but not later than December 1 in any year in substantially the form attached as Exhibit B to and incorporated by reference in this Lease, signed by an Authorized Company Representative and acknowledged by an Authorized City Representative:

(a) requesting payment of a specified amount of such funds (which amount shall be equal to the value of the property being transferred to and subject to acceptance by the City simultaneously with any request) and directing to whom such amount shall be paid (which may include the Company in the event of a reimbursement);

(b) describing each item of Project Costs for which payment is being requested;

(c) stating that each item for which payment is requested is a proper charge against the Acquisition Fund, that the amount requested is justly due, and has not been the basis of any previous requisition from the Acquisition Fund; and

(d) representing and warranting that, except for the amounts, if any, stated in said certificate, there are no outstanding disputed statements for which payment is requested for labor, wages, materials, supplies or services which might become the basis of a vendors', mechanics', laborers', or materialmen's statutory or other similar lien upon the Property or any part thereof or improvement thereto.

The Trustee may rely conclusively on any such certificate and shall not be required to make any independent investigation in connection therewith. The approval of any requisition certificate by the Authorized Company Representative and acknowledgement by an Authorized City Representative shall constitute, unto the Trustee, an irrevocable determination that all conditions precedent to the payments requested have been completed.

Section 4.5. Establishment of Completion Date. The Completion Date shall be evidenced to the Trustee by a certificate signed by an Authorized Company Representative and acknowledged by an Authorized City Representative stating (a) that the purchase, installation, extension and improvement of the Project has been completed, and (b) that all costs and expenses incurred in the purchase, installation, extension and improvement of the Financed Facilities and the Financed Equipment have been paid except costs and expenses the payment of which is not yet due or is being retained or contested in good faith. 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. The Company and the City agree to cooperate in causing such certificate to be furnished to the Trustee.

Section 4.6. Surplus or Deficiency in Acquisition Fund.

(a) Upon receipt of the certificate described in Section 4.5 of this Lease, the Trustee shall, as provided in Section 504 of the Indenture, transfer any remaining moneys then in the Acquisition Fund to the Bond Fund to be applied as directed by the City solely to the payment of principal and premium, if any, of the Bonds through the payment (including regularly scheduled principal payments, if any) or redemption thereof at the earliest date permissible under the terms of the Indenture. Any amount so deposited in the Bond Fund may be invested as permitted by Section 702 of the Indenture.

(b) If the Acquisition Fund shall be insufficient at any time to pay fully all Project Costs when and as due, the Company shall pay or cause to be paid into the Acquisition Fund the full amount of any such deficiency, and the Trustee shall use those Acquisition Fund moneys to pay when and as due all such Project Costs, all in accordance with the provisions for payment of Project Costs set forth in Section 4.4 of this Lease, and the Company shall save the City and the Trustee whole and harmless from any obligation to pay such deficiency.

Section 4.7. Project Property. Upon transfer to and acceptance by the City, the Financed Facilities and all additions or enlargements thereto or thereof, together with the Financed Equipment and all substitutions and replacements therefor and anything under this Lease or applicable Supplemental Lease which becomes, is deemed to be, or constitutes a part of the Project, as repaired, rebuilt, rearranged, restored or replaced by the Company under the provisions of this Lease, except as otherwise specifically provided in this Lease, shall immediately upon transfer by the Company to the City be titled in the name of the City, and shall be held by the City solely as lessor subject only to this Lease, the Indenture, and any Leasehold Mortgage; *provided that* the City shall have no right or authority to use, operate or control the Property, the Project, the Financed Facilities or the Financed Equipment or any portion thereof. The Company shall develop, maintain and update from time-to-time, a complete list of all Financed Facilities and Financed Equipment which are titled in the name of the City and subject to the terms of this Lease and shall promptly provide upon request of the City, but not more than annually, copies of the list to the City and to the Trustee; *provided that*, any failure of the Company to provide such list shall not be deemed to be an Event of Default under this Lease. In addition, the Company shall prepare and submit timely to the Randolph County Assessor, personal property tax returns covering the Financed Equipment owned by the City and leased to the Company under this Lease.

Section 4.8. Non-Project Improvements, Machinery and Equipment Property of the Company. Any improvements or items of machinery or equipment which do not constitute part of the Project, shall be the property of the Company and shall not constitute a part of the Project for purposes of Section 6.4 of this Lease.

**ARTICLE V
RENT PROVISIONS**

Section 5.1. Basic Rent. The Company covenants and agrees to pay to the Trustee in same day funds for the account of the City during the Lease Term, for deposit in the Bond Fund on or before 11:00 a.m., Trustee’s local time, on the appropriate dates and in the appropriate amounts, the amount of principal of and interest on the Bonds in accordance with the provisions of the Indenture and the Bonds, as Basic Rent for the Project in a total amount which, when added to any collected funds then on deposit in the Bond Fund and available for the payment of principal on the Bonds and the interest thereon on such payment date, shall be equal to the amount payable on such payment date as principal of the Bonds then Outstanding and the interest thereon, all as provided in the Indenture; *provided that* amounts of Basic Rent due on such payment dates and deposited in the Bond Fund shall consist of: (A) payments of accrued interest only on amounts listed from time to time as “Cumulative Outstanding Principal Amount” on Schedule 1, Table of Cumulative Outstanding Principal Amount to the Bonds until the earlier of (i) maturity of the Bonds or portions thereof or (ii) redemption of the Bonds in whole, but not in part; and (B) payments of principal on the Bonds or portions thereof upon maturity, or upon redemption of the Bonds, whether in whole or in part, all as provided in the Indenture. Except as offset pursuant to the right of the Company set forth below, all payments of Basic Rent provided for in this Section 5.1 shall be paid directly to the Trustee and shall be deposited in accordance with the provisions of the Indenture into the Bond Fund and shall be used and applied by the Trustee in the manner and for the purposes set forth in this Lease and the Indenture. In furtherance of the foregoing, and notwithstanding any other provision in this Lease, the Indenture or the Bond Purchase Agreement to the contrary, and *provided that* (i) the Company is the sole holder of all of the Bonds then Outstanding; and (ii) the Company is the lessee under this Lease, the Company may set-off the then-current Basic Rent payment against the City’s obligation to the Company as Bondholder under the Indenture in lieu of delivery of the Basic Rent on any Payment Date, without obtaining consent of any party prior to exercising such set-off. Absent actual receipt by the Trustee of written notice to the contrary from the Company, it shall be presumed for each Basic Rent payment that such set-off has occurred on and as of the date such payment of Basic Rent is due, and the Trustee may conclusively rely on absence of such notice as evidence that such set-off has occurred. At the Company’s option, the Company may deliver to the Trustee for cancellation portions of the Bonds not previously paid and the Company shall receive a credit against the Basic Rent payable by the Company in an amount equal to the principal amount of the Bonds so tendered for cancellation plus accrued interest thereon.

Section 5.2. Additional Rent. The Company shall pay directly to the City as Additional Rent the following amounts:

- (a) All out-of-pocket fees, charges and expenses, including agent and counsel fees and expenses, of the City, the Trustee and Paying Agent incurred under the Indenture, this Lease, the Development Agreement, or any Leasehold Mortgage as and when the same become due;
- (b) All Costs of Issuance and out-of-pocket costs incident to the issuance of any series of Bonds at or before closing on the Bonds and all costs and out-of-pocket expenses in connection with the call, redemption and payment of all Outstanding Bonds;
- (c) All out-of-pocket expenses incurred in connection with the reasonable and necessary enforcement of any rights under this Lease, the Indenture, or the Development Agreement by the City, the Trustee or the Bondowners;

(d) All amounts payable by the Company under the Development Agreement;

(e) All other payments of whatever nature which the Company has agreed in writing to pay or assume under the provisions of this Lease or of the Development Agreement including, without limitation, amounts required under any indemnification obligation of the Company;

(f) All payments made pursuant to Section 11.1 of this Lease, such payments to be made directly to the Trustee for deposit in the Bond Fund pursuant to Section 602 of the Indenture; and

(g) All payments in lieu of taxes required under Sections 3.4 or 3.5 of the Development Agreement.

The Additional Rents set forth in paragraphs (a) through (e), above, shall each be made within thirty (30) days after receiving an invoice therefor. Additional Rents set forth in Section 5.2(f), above shall be made pursuant to Section 11.1 of this Lease. Additional Rents set forth in Section 5.2(g), above, shall be made without further demand or notice as provided in Sections 3.4 and 3.5 of the Development Agreement.

Section 5.3. Obligations of Company Absolute and Unconditional.

(a) The obligations of the Company under this Lease to make payments of Basic Rent and Additional Rent on or before the date the same become due, and to perform all of the Company's other obligations, covenants and agreements hereunder shall be absolute and unconditional, without notice or demand, and without abatement, deduction, set-off (except as set forth in Section 5.1 of this Lease with respect to the set-off by the Company of any Basic Rent payment against the City's obligation to pay the Company as Bondholder such amount), counterclaim, recoupment or defense or any right of termination or cancellation arising from any circumstance whatsoever, whether now existing or hereafter arising, irrespective of whether the City's title to the Project or to any part thereof is defective or nonexistent, and notwithstanding any damage to, loss, theft or destruction of the Financed Facilities or the Financed Equipment or any part or portion thereof, any failure of consideration or frustration of commercial purpose, the taking by eminent domain of title to or of the right of temporary use of all or any part of the Financed Facilities or the Financed Equipment, legal curtailment of the Company's use thereof, the lawful eviction or constructive eviction of the Company, 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 City's legal organization or status, or any default of the City hereunder, and regardless of the invalidity of any action of the City or the invalidity of any portion of this Lease, the Indenture, or the Development Agreement; *provided, however,* that nothing in this Section 5.3(a) or in Section 5.3(b) of this Lease is intended or shall be deemed to affect or impair in any way the rights of the Company to tender the Bonds for redemption in satisfaction of Basic Rent as provided in Sections 5.1 and 5.4 of this Lease.

(b) Nothing in this Lease shall be construed to release the City from the performance of any agreement on the City's part herein contained or as a waiver by the Company of any rights or claims the Company may have against the City under this Lease or otherwise, but any recovery upon

such rights and claims shall be had from the City separately, it being the intent of this Lease that the Company shall be unconditionally and absolutely obligated to perform fully all of the Company’s obligations, agreements and covenants under this Lease (including the obligation to pay Basic Rent and Additional Rent) for the benefit of the Bondowners and the City. The Company may, however, at the Company’s own cost and expense and in the Company’s own name or in the name of the City, prosecute or defend any action or proceeding or take any other action involving third persons which the Company deems reasonably necessary in order to secure or protect the Company’s right of possession, occupancy and use hereunder, and in such event the City hereby agrees to cooperate fully with the Company and to take all action necessary to effect the substitution of the Company for the City in any such action or proceeding if the Company shall so request.

Section 5.4. Prepayment of Basic Rent. The Company may at any time and from time to time prepay all or any part of the Basic Rent provided for hereunder without penalty. During such times as the amount held by the Trustee in the Bond Fund shall be sufficient to pay, at the time required, the principal of and interest on all of the Bonds then Outstanding, the Company shall be entitled to credit against payments of Basic Rent or Additional Rent under the provisions of this Lease.

Section 5.5. Redemption of Bonds. The City and the Trustee, at the written direction of the Company, at any time the aggregate moneys in the Bond Fund are sufficient for such purposes, shall, if the same are then redeemable under the provisions of Article III of the Indenture, use their best efforts to effectuate the redemption of all or such part of the then Outstanding Bonds as may be specified by the Company, on such redemption date as may be specified by the Company. At the Company’s option, the Company may deliver to the Trustee for redemption portions of the Bonds not previously paid and the Company shall receive a credit against the Basic Rent or other amounts payable by the Company for the redemption of such Bonds in an amount equal to the principal amount of such Bonds so tendered for redemption plus accrued interest.

**ARTICLE VI
MAINTENANCE, TAXES AND UTILITIES**

Section 6.1. Maintenance and Repairs. Throughout the Lease Term the Company shall, at the Company’s own expense, keep the Project, the Financed Facilities, the Financed Equipment and the Property in reasonably safe condition and keep the Property, the Financed Facilities and the Financed Equipment at all times in good repair, reasonable wear, tear, depreciation, condemnation, casualty, and obsolescence excepted, making from time to time all repairs thereto and renewals and replacements thereof the Company determines in the Company’s sole discretion to be necessary.

Section 6.2. Taxes, Assessments and Other Governmental Charges.

(a) The Company shall promptly pay and discharge as the same become due, all taxes and assessments, general and special, and other governmental charges of any kind whatsoever that may be lawfully taxed, charged, levied, assessed or imposed upon or against or be payable for or in respect of the Financed Facilities, the Financed Equipment, and the Property, or any part thereof or interest therein or any buildings, improvements, machinery and equipment at any time installed thereon by the Company, or the income therefrom or Basic Rent and other amounts payable under

this Lease, including any new taxes and assessments not of the kind enumerated above to the extent that the same are lawfully made, levied or assessed in lieu of or in addition to taxes or assessments now customarily levied against real or personal property, and further including all utility charges, assessments and other general governmental charges and impositions whatsoever, foreseen or unforeseen, which if not paid when due would impair the security of the Bonds or encumber the City's title to the Property, the Financed Facilities or the Financed Equipment; *provided that* with respect to any special assessments or other governmental charges that are lawfully levied and assessed which may be paid in installments, the Company shall be obligated to pay only such installments thereof as become due and payable during the Lease Term.

(b) The Company shall have the right, in the Company's own name or in the City's name, at the sole expense of the Company, to contest the validity or amount of any tax, assessment or other governmental charge which the Company is required to bear, pay and discharge pursuant to the terms of this Article VI by appropriate legal proceedings instituted at least Ten (10) days before the tax, assessment or other governmental charge complained of becomes delinquent *if and provided that* (1) the Company, before instituting any such contest, gives the City written notice of the Company's intention so to do, (2) the Company diligently prosecutes any such contest, at all times effectively stays or prevents any official or judicial sale therefor, under execution or otherwise, and (3) the Company promptly pays any final judgment enforcing the tax, assessment or other governmental charge so contested and thereafter promptly procures record release or satisfaction thereof. Upon written request, the City agrees to cooperate fully with the Company in connection with any and all administrative or judicial proceedings related to any tax, assessment or other governmental charge and in such event the Company shall indemnify, defend with counsel of the Company's choosing and reasonably acceptable to the City, which acceptance shall not be unreasonably withheld or delayed, and shall hold the City its officials, officers, agents, employees, Bond Counsel, attorneys, and assigns, each whole and harmless from any loss, costs or expenses the City or any of the foregoing may incur related to any of the above.

Section 6.3. Utilities. All utilities and utility services used by the Company in, on or about the Property or the Project shall be paid by the Company and shall be contracted by the Company in the Company's own name, and the Company shall, at the Company's sole cost and expense, procure any and all permits, licenses or authorizations necessary in connection therewith.

Section 6.4. Tax Forbearance. The Company anticipates that upon conveyance to and titling in the name of the City from time to time of the portions of the Project, the same will be exempt from property taxes (whether real, personal or otherwise) levied by any applicable taxing jurisdiction for as long as the City continues to own such portions of the Project. The City agrees to take all actions within the City's control to obtain and maintain in effect such exemption from property taxes related to such portions of the Project, including any filings required with any governmental authorities; *provided, however, that* the City is not guaranteeing the exemption from taxation of the City's fee or ownership interest in the Project, the Property, the Financed Facilities or the Financed Equipment or any portion thereof or of the leasehold interest of the Company contemplated by this Lease and the issuing of the Bonds and the parties hereto acknowledge and agree that the City shall not be liable for any failure of the State of Missouri, any agency thereof or any other taxing authority, or of any court of competent jurisdiction to recognize any exemption contemplated in this Section 6.4 or in the Development Agreement or any Bond Document. In the

event of a levy or assessment of property taxes on the Property, the Financed Facilities or the Financed Equipment or any portion thereof should occur, the City shall, at the Company's request and sole expense, fully cooperate with the Company in all reasonable ways to prevent or remove any such levy or assessment; *provided, however, that* the City shall not be liable for any costs or expenses resulting from such cooperation and may withhold cooperation with the Company until accommodations have been provided, to the City's satisfaction, that ensure that the City does not incur such costs. The City and the Company each covenant and agree that the property tax exemption contemplated in this Lease, the Development Agreement and the issuance of the Bonds shall only apply to the City's fee and ownership interests in the portions of the Project held by the City at any time. Any property taxes levied against the interest of the Company in the Property, the Financed Facilities or the Financed Equipment or portions thereof by any taxing jurisdiction shall be and remain solely the responsibility of the Company. In the event such a levy or assessment should occur, the City shall, at the request and sole expense of the Company fully cooperate with the Company in all reasonable ways to prevent and/or challenge such levy or assessment.

ARTICLE VII INSURANCE

Section 7.1. Property Insurance.

(a) The Company shall obtain at the Company's sole cost and expense a policy or policies of property "all risk" insurance including, if appropriate, builders' risk insurance, to keep the Property, the Financed Facilities, and the Financed Equipment constantly insured against loss or damage. The insurance required pursuant to this Section 7.1 shall be maintained throughout the Lease Term with a generally recognized responsible insurance company or companies authorized to do business in the State of Missouri or generally recognized international insurers or reinsurers with an A.M. Best rating of "A-" or the equivalent thereof as may be selected by the Company. Copies of insurance certificates for the insurance required under this Section 7.1 shall be delivered by the Company to the City and, upon request, to the Trustee. All such policies of insurance pursuant to this Section 7.1, and all renewals thereof, shall name the City and the Trustee as loss payees as their respective interests may appear, and shall contain a provision, to the extent that such provision is commercially available, that such insurance may not be canceled by the issuer thereof or the amount and scope of insurance coverage materially reduced by the issuer or by the Company without at least Thirty (30) days' advance written notice to the City and the Trustee.

(b) In the event of loss or damage to the Property, the Financed Facilities, or the Financed Equipment or any portion thereof, the Net Proceeds of insurance carried pursuant to this Section 7.1 shall be paid and applied as provided in Article IX of this Lease, or as may be directed by, or on behalf of, the Bondowners of 100% in principal amount of the Bonds then Outstanding.

Section 7.2. Commercial General Liability Insurance. The Company shall maintain at the Company's sole cost and expense at all times during the Lease Term commercial general liability and commercial auto liability insurance, under which the City and the Trustee shall be named as additional insureds, in an amount not less than \$5,000,000. Copies of certificates of insurance for the coverages required under this Section 7.2, shall be promptly delivered by the Company to the

City and the Trustee. The policies of said insurance shall contain a provision, to the extent that such provision is commercially available, that such insurance may not be canceled by the issuer thereof without at least Thirty (30) days' advance written notice to the City and the Trustee.

Section 7.3. Blanket Insurance Policies. The Company may satisfy any of the insurance requirements set forth in this Article VII by using blanket policies of insurance, including self-insurance arrangements recognized and customary within the construction equipment manufacturing industry; *provided that* each and all of the requirements and specifications of this Article VII respecting insurance are complied with.

Section 7.4. Workers' Compensation. The Company agrees throughout the Lease Term to the full extent required by Missouri law to maintain Workers' Compensation coverage as required by the laws of the State of Missouri.

**ARTICLE VIII
ALTERATION OF THE PROJECT**

Section 8.1. Additions, Modifications and Improvements. The Company shall have and is hereby given the sole right, at the Company's sole cost and expense, to make such additions, modifications and improvements in and to any part of the Project, the Property, the Financed Facilities or the Financed Equipment as the Company from time to time may deem necessary or desirable in the Company's sole discretion for the Company's business purposes. All additions, modifications and improvements made by the Company pursuant to the authority of this Section 8.1 shall (i) be made in a good and workmanlike manner and in compliance with all Applicable Regulations, (ii) when commenced, be prosecuted to completion with due diligence, and (iii) when completed, be deemed a part of the Project; *provided, however*, that additions of machinery, equipment or other improvements installed by the Company (a) not accepted by the City; or (b) not originally purchased or acquired from funds deposited with the Trustee under this Lease shall remain the property of the Company and may be removed by the Company, and are not part of the Project.

Section 8.2. Removal or Substitution of Fixtures or Equipment. The Company shall have the sole right, provided the Company is not in default in the payment of Basic Rent or Additional Rent under this Lease beyond any applicable grace, notice or cure period, to remove from the Property and sell, exchange or otherwise dispose of, without responsibility or accountability to the City or the Trustee with respect thereto, any fixtures or equipment which the Company determines in the Company's sole judgment to be or has become inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary or is otherwise no longer useful to the Company in the Company's operations conducted on the Property. In all cases, the Company shall promptly pay all the costs and expenses of any such removal and shall promptly repair at no cost or expense to the City all damage to the Property or the Financed Facilities caused thereby in a good and workmanlike manner.

Section 8.3. Additional Improvements on the Property. The Company shall have and is hereby given the right, at the Company's sole cost and expense, from time to time during the Lease Term to construct on portions of the Property other than those portions occupied or to be occupied by the Financed Facilities such additional buildings and improvements as the Company from time

to time may deem necessary or desirable for the Company's business purposes. All such additional buildings and improvements constructed on the Property by the Company pursuant to the authority of this Section 8.3 shall, during the Lease Term, remain the property of the Company and may be added to, altered or razed and removed by the Company at any time. All such additional buildings and improvements shall be made in compliance with Applicable Regulations. The Company covenants and agrees (a) to make any repairs and restorations required to be made to the Property and the Financed Facilities because of the construction of, addition to, alteration or removal of said additional buildings or improvements, and (b) to promptly and with due diligence either raze and remove 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. The Company shall pay all applicable ad valorem taxes, payments in lieu of taxes, and assessments payable with respect to such additional buildings and improvements which remain the property of the Company.

Section 8.4. Permits and Authorizations. The Company shall not do or permit others under the Company's control to do any work on the Financed Facilities related to any repair, rebuilding, restoration, replacement, modification or addition to the Financed Facilities, or any part thereof, unless all requisite municipal and other governmental permits and authorizations shall have been first procured. The City agrees to act promptly on all requests for such municipal permits and authorizations; *provided that* nothing in this Lease shall obligate the City to grant any permits, authorizations or approvals other than those which the City would grant in the lawful exercise of the City's police powers and pursuant to the City's normal review procedures and standards for such matters. All such work shall be done in a good and workmanlike manner and in compliance with all Applicable Regulations and in accordance with the requirements all insurance policies required to be carried under the provisions of Article VII of this Lease.

Section 8.5. Mechanics' Liens; Payment Bonds.

(a) The Company shall not directly or indirectly create, incur, assume or suffer to exist any lien on or with respect to the Property (other than Allowable Encumbrances) or the Project and the Company shall promptly, at the Company's sole expense, take such action as may be necessary to fully discharge or release any such lien by payment, bond or otherwise. Whenever and as often as any mechanics' or other similar lien is filed against the Property 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 Property, the Company shall discharge the same of record. Notice is hereby given that the City shall not be liable for any labor or materials furnished the Company or anyone claiming by, through or under the Company upon credit, and that no mechanics' or other similar lien for any such labor, services or materials shall attach to or affect the reversionary or other estate of the City in and to the Property, the Financed Facilities, the Financed Equipment or any part thereof.

(b) Notwithstanding Section 8.5(a) above, the Company shall have the right to contest any such mechanics' or other similar lien if the Company notifies the City and the Trustee in writing of the Company's intention so to do, and provided the Company diligently prosecutes such contest, at all times effectively stays or prevents any official or judicial sale of the Property, the Financed Facilities, or the Financed Equipment or any part thereof or interest therein, under execution or otherwise, and pays or otherwise satisfies any final judgment enforcing such contested lien claim and thereafter promptly procures record release or satisfaction thereof. The Company shall defend

with counsel of the Company's choosing and reasonably acceptable to the City, which acceptance shall not be unreasonably withheld or delayed, indemnify and hold the City, its officials, officers, agents, employees, the Trustee, Bond Counsel, attorneys, and assigns, each whole and harmless any loss, costs or expenses the City may incur related to any such contest. The City shall cooperate fully with the Company in any such contest.

(c) Not later than the date of this Lease and as a condition precedent to the execution and delivery of this Lease by the City, the Company shall procure or cause to be procured and delivered to the City a dual obligee payment bond in substantially the form of Exhibit C-1 to the Development Agreement naming and in favor of the City and meeting all requirements of section 107.170 of the Revised Statutes of Missouri, as amended, or any successor enactment in the minimum aggregate penal amount of the greater of (i) \$4,500,000, or (ii) the total costs of acquisition and renovation of the Financed Facilities as evidenced by construction contracts therefor. In addition, prior to initiation of any work under any contract (whether written or oral) with any contractor for the construction or installation of or for procurement or supplying of materials to be incorporated, consumed (other than raw materials to be utilized in a manufacturing process) or used in connection with the construction of the Financed Facilities or the Financed Equipment, and as a condition precedent to the future acceptance by the City of the conveyance of any portions of the Financed Facilities or the Financed Equipment so constructed or installed, the Company shall for each such contract procure or cause to be procured a dual obligee payment bond in substantially the form of Exhibit C-1 to the Development Agreement naming and in favor of the City and meeting all requirements of section 107.170 of the Revised Statutes of Missouri, as amended, or any successor enactment in the minimum amount of One Hundred percent (100%) of the total amount of each such contract; and *provided further that* in the event that the amount of any such contract shall be increased at any time or from time to time by more than Twenty-Five percent (25%) in the aggregate of the initial contract amount, the Company shall promptly-cause the amount of the corresponding payment bond to be increased to a total One Hundred-percent (100%) of such increased amount. All such payment bonds required under this Section 8.5(c), section 107.170 of the Revised Statutes of Missouri, as amended, or otherwise, shall provide for and be maintained until the date which is One (1) year from the date the last labor or services were provided by anyone or last materials or equipment were furnished by anyone under or pursuant to the contract to which such payment bond applies. **Prior to the execution of any general contract for labor, services, materials, equipment or other work at the Project, the Financed Facilities or the Financed Equipment the Company shall provide the City a certification from such general contractor in the form of Exhibit C-2 to the Development Agreement acknowledging the payment bond obligations of the Development Agreement and this Section 8.5(c). The Company and the City hereby further agree that delivery of such certification shall be a condition precedent to the enforceability of any such general contract.** Prior to initiation of any work under any such contract, the corresponding dual obligee payment bond fully executed by the surety, the Company and the contractor in the minimum penal amount of One Hundred percent (100%) of the total amount of each such contract shall be submitted to the City. Compliance with the requirements of this Section 8.5(c) shall be a condition precedent to the acceptance by the City of any conveyance or purported conveyance by the Company of the Property, the Financed Facilities, the Financed Equipment or any portion thereof. It is the intent of the Company and the City that the Project comply at all times with the requirements of section 107.170 of the Revised Statutes of Missouri, as amended, and the Company hereby agrees to

indemnify, defend with counsel of the City's choosing, and hold harmless the City and the City Council in their official and individual capacities from and against all claims, demands, costs, liabilities, damages or expenses, including reasonable attorneys' fees, by or on behalf of any person, firm or corporation arising out of the Company or the Company's contractors failure to comply in all respects with the requirements of Section 4.3.5. of the Development Agreement and this Section 8.5(c) or any failure of the Company to obtain payment bonds as required by section 107.170 of the Revised Statutes of Missouri, as amended. The foregoing indemnification obligations shall survive termination of this Lease for any reason. The parties hereto further agree to promptly take such further actions as may be required-from time to time to assure that the Project complies with any subsequent amendments or successor enactments to such section 107.170 and with any final, non-appealable determinations by any court of competent jurisdiction affecting the procurement of payment bonds by or on behalf of public entities.

ARTICLE IX DAMAGE, DESTRUCTION AND CONDEMNATION

Section 9.1. Damage or Destruction.

(a) If any portion of the Project shall be damaged or destroyed by fire or any other casualty, whether or not covered by insurance, the Company, as promptly as practicable, shall either (i) make the determination described in Section 9.1(f), below, or (ii) repair, restore, replace or rebuild or cause to be repaired, restored, replaced or rebuilt the same so that upon completion of such repairs, restoration, replacement or rebuilding such portion of the Project shall be of a value not less than the value thereof immediately prior to the occurrence of such damage or destruction or, at the Company's option, shall construct upon the Property new buildings and improvements thereafter together with all new machinery, equipment and fixtures which are either to be attached to or are to be used in connection with the operation or maintenance thereof, *provided that* (A) the value thereof shall not be less than the value of such destroyed or damaged portions of the Project immediately prior to the occurrence of such damage or destruction; and (B) the nature of such new buildings, improvements, machinery, equipment and fixtures will not impair the character of the Project as an enterprise permitted by the Acts. If the Company shall elect to construct any such new buildings and improvements, for all purposes of this Lease, any reference to the term "Project" shall be deemed to also include any such new buildings and improvements and all additions thereto; *provided that* nothing in this Section 9.1(a) shall be construed to extend the Lease Term. Unless the Company makes the determination described in Section 9.1(f), below, the Net Proceeds required by Article VII of this Lease received with respect to such damage or loss to portions of the Project shall be used to pay the cost of repairing, restoring, replacing or rebuilding such portions of the Project. If the Company makes the determination described in Section 9.1(f), below, the Net Proceeds shall be deposited with the Trustee and used to redeem the Bonds then Outstanding as provided in paragraph 9.1(f) of this Lease.

(b) If any of the insurance monies paid by the insurance company as hereinabove provided shall remain after the completion of such repairs, restoration, replacement or rebuilding, and this Lease shall not have terminated, the excess shall be deposited in the Bond Fund, subject to the rights pursuant to any Leasehold Mortgage. If the Net Proceeds shall be insufficient to pay the

entire cost of such repairs, restoration, replacement or rebuilding, the Company shall pay the deficiency.

(c) Except as otherwise provided in this Lease, in the event of any such damage by fire or any other casualty, the provisions of this Lease shall be unaffected and the Company shall remain and continue liable for the payment of all Basic Rent and Additional Rental and all other charges required hereunder to be paid by the Company, as though no damage by fire or any other casualty has occurred.

(d) The City and the Company agree that they will cooperate with each other, to such extent as such other party may reasonably require, in connection with the prosecution or defense, at the expense of the Company, of any action or proceeding arising out of, or for the collection of any insurance monies that may be due in the event of, any loss or damage, and that they will execute and deliver to such other parties such instruments as may be required to facilitate the recovery of any insurance monies.

(e) The Company agrees to give prompt notice to the City and the Trustee with respect to all fires and any other casualties resulting in damages of \$500,000 or more occurring in, on, at or about the Financed Facilities.

(f) If the Company shall determine that rebuilding, repairing, restoring or replacing the Project or the Financed Facilities is not practicable or desirable, any Net Proceeds of casualty insurance required by Article VII of this Lease received with respect to such damage or loss shall, after payment of all Additional Rent then due and payable, be paid into the Bond Fund, subject to the rights pursuant to any Leasehold Mortgage, and shall be used, at the option of the Company, to redeem the Bonds on the earliest practicable redemption date or to pay the principal of Outstanding Bonds as the same becomes due. The Company agrees to be commercially reasonable in exercising the Company's judgment pursuant to this Section 9.1(f).

(g) The Company shall not, by reason of the Company's inability to use all or any part of the Project during any period in which any portion of the Project is damaged or destroyed or is being repaired, rebuilt, restored or replaced, nor by reason of the payment of the costs of such rebuilding, repairing, restoring or replacing, be entitled to any reimbursement from the City, the Trustee or the Bondowners or to any abatement or diminution of the Rentals or Additional Rentals payable by the Company under this Lease or of any other obligations of the Company under this Lease except as expressly provided in this Section 9.1.

Section 9.2. Condemnation.

(a) If during the Lease Term, title to, or the temporary use of, all or any part of the Project shall be condemned by or sold under threat of condemnation to any authority possessing the power of eminent domain, to such extent that the claim or loss resulting from such condemnation is greater than \$5,000,000, the Company shall, within ninety (90) days after the date of entry of a final order in any eminent domain proceedings granting condemnation or the date of sale under threat of condemnation, notify the City, the Trustee, the mortgagee under any Leasehold Mortgage (if any) in

writing as to the nature and extent of such condemnation or loss of title and whether it is practicable and desirable to acquire or construct substitute improvements.

(b) If the Company shall determine that such substitution is practicable or desirable, the Company shall proceed promptly with and complete with reasonable dispatch the acquisition or construction of such substitute improvements, so as to place the Project in substantially the same condition as existed prior to the exercise of the said power of eminent domain, including, without limitation, the acquisition or construction of other improvements suitable for the Company's operations at the Project (which improvements will be deemed a part of the Project, owned by the City, and available for use and occupancy by the Company without the payment of any rent other than herein provided, to the same extent as if such other improvements were specifically described herein and demised hereby); *provided, that* such improvements will be acquired or constructed, subject to the obtaining of payment bonds as required by Section 8.5(c) of this Lease, by the Company and conveyed to the City subject to no liens, security interests or encumbrances prior to the lien and/or security interest afforded by the Indenture and this Lease other than Allowable Encumbrances. In such case, any Net Proceeds received from any award or awards with respect to the Project or any part thereof made in such condemnation or eminent domain proceedings, or of the sale proceeds, shall be applied in the same manner as provided in Section 9.1 of this Lease (with respect to the receipt of insurance proceeds).

(c) If the Company shall determine that it is not practicable or desirable to acquire or construct substitute improvements, any Net Proceeds of condemnation awards received by the Company shall, after payment of all Additional Rent then due and payable, be paid into the Bond Fund, subject to the rights under any Leasehold Mortgage, and shall be used at the option of the Company to redeem the Bonds on the earliest practicable redemption date or to pay the principal of any Bonds of any series as the same becomes due and payable.

(d) The Company shall not, by reason of the Company's inability to use all or any part of the Project during any such period of restoration or acquisition nor by reason of the payment of the costs of such restoration or acquisition, be entitled to any reimbursement from the City, the Trustee or the Bondowners or to any abatement or diminution of the Rentals or Additional Rentals payable by the Company under this Lease nor of any other obligations hereunder except as expressly provided in this Section. 9.2.

(e) The City shall cooperate fully with the Company in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Project or any part thereof, and shall, to the extent the City may lawfully do so, permit the Company to litigate in any such proceeding in the name and on behalf of the City. In such case, the Company shall defend with counsel of the Company's choosing and reasonably acceptable to the City, which acceptance shall not be unreasonably withheld or delayed, indemnify and hold the City, the Moberly Area Economic Development Corporation (the "EDC") and their respective officials, officers, agents, employees, Bond Counsel, attorneys, and assigns, and the Trustee each whole and harmless from any loss, costs or expenses the City or any of the foregoing may incur related to any such proceeding. In no event will the City voluntarily settle or consent to the settlement of any prospective or pending condemnation proceedings with respect to the Property, the Financed Facilities or the Financed

Equipment or any part thereof without the prior written consent of the Company which consent may be granted or withheld in the Company's sole discretion.

Section 9.3. Bondowner Approval. Notwithstanding anything to the contrary contained in this Article IX, the proceeds of any insurance received subsequent to a casualty or of any condemnation proceedings (or threats thereof) may be applied as directed by the Bondowners of 100% of the principal amount of the Bonds then Outstanding, subject and subordinate to the rights of the City and the Trustee pursuant to the Indenture, this Lease and the Development Agreement.

ARTICLE X SPECIAL COVENANTS

Section 10.1. No Warranty of Condition or Suitability by the City; Exculpation and Indemnification. The City makes no warranty, either express or implied, as to the condition of the Project, the Property, the Financed Facilities, or the Financed Equipment or that any of the same will be suitable for the Company's purposes or needs. The Company hereby releases the City from, agrees that the City shall not be liable for, and agrees to indemnify, defend with counsel of the City's choosing, and hold the City, the EDC, and their respective officials, officers, agents, employees, Bond Counsel, attorneys, and assigns, each whole and harmless against any loss or damage to property or injury or death of any person that may be occasioned by any cause whatsoever pertaining to the Project, the Property, the Financed Facilities or the Financed Equipment or the use thereof.

Section 10.2. Surrender of Possession. Upon accrual of the City's right of re-entry because of the occurrence and continuation of an Event of Default beyond any applicable notice and cure period or upon the cancellation or termination of this Lease for any reason other than the Company's purchase of the Property and the Project pursuant to Article XI of this Lease, the Company shall peacefully surrender possession of the Project, the Property, the Financed Facilities and the Financed Equipment to the City; *provided that* nothing in this Section 10.2 shall be deemed to release the Company from the obligation to purchase the Project the Property, the Financed Facilities and the Financed Equipment under the terms set forth in this Lease.

Section 10.3. Compliance with Applicable Regulations; Right of Access. At all times during the Lease Term the Company shall use commercially reasonable efforts to use, keep and maintain and operate the Project and every part thereof in compliance with all Applicable Regulations, including, without limitation, all Environmental Laws. The Company agrees that the City and the Trustee and their duly authorized agents shall have the right at reasonable times during normal business hours and, except in the event of emergencies, upon not less than Five (5) Business Day's prior written notice, subject to the Company's usual safety, confidentiality, and security requirements, to enter upon the Property and the Financed Facilities solely to examine and inspect the Property, the Financed Facilities or the Financed Equipment without interference or prejudice to the Company's operations; *provided that* such inspection rights shall be limited to not more frequent than quarterly unless and until the occurrence and continuation of an Event of Default beyond any applicable notice and cure period.

Section 10.4. Granting of Leasehold Mortgages.

(a) Subject to Section 10.4(c) of this Lease, if no Event of Default under this Lease shall have happened and be continuing beyond any applicable notice and cure period, the Company may mortgage or grant a security interest in the leasehold estate created by this Lease, without the City's consent, provided and upon condition that: (i) a duplicate original or certified copy or photostatic copy of each such mortgage or security agreement, and the note or other obligation secured thereby, is delivered to the City within thirty (30) days after the execution thereof; and (ii) each such mortgage or security agreement shall contain a covenant to the effect that the net proceeds of all insurance policies and the condemnation award shall be held, used and applied for the purposes and in the manner provided for in this Lease.

(b) The City acknowledges and agrees that the Company may finance and refinance the Company's rights and interests in the Project, this Lease and the leasehold estate created hereby. Notwithstanding anything contained to the contrary in this Lease, the Company shall have the right, at any time and from time to time, to execute one or more Financing Documents with one or more Financing Parties without the consent of the City upon the terms contained in this Section 10.4.

(c) Upon notice by the Company to the City in writing that the Company has executed one or more Financing Documents under which the Company has granted rights in this Lease, then the following provisions shall apply with respect to the Financing Party named therein:

(i) There shall be no merger of this Lease or of the leasehold estate created hereby with the fee title to the Project, notwithstanding that this Lease or said leasehold estate and said fee title shall be owned by the same person or persons;

(ii) The City shall serve upon each such Financing Party (but only at the address, if any, provided by the Company to the City in writing at the time of execution of the applicable Financing Document) a copy of each notice of the occurrence of an Event of Default and each notice of termination given to the Company under this Lease, at the same time as such notice is served upon the Company;

(iii) Each such Financing Party shall have the same period of time which the Company has, after the service of any notice upon such Financing Party, within which to remedy or cause to be remedied any payment default under this Lease which is the basis of the notice plus Thirty (30) days, and the City shall accept performance by such Financing Party as timely performance by the Company;

(iv) The City may exercise any of the City's rights or remedies with respect to any other Event of Default by the Company;

(v) In case of the occurrence and continuance of an Event of Default by the Company under this Lease beyond any applicable notice and cure period, other than a default in the payment of money, the City shall take no action to effect a termination of this Lease by service of a notice or otherwise, without first giving notice thereof to each such Financing Party (but only at the address, if any, provided by the Company to the City in writing at the time of execution of the applicable Financing Document or thereafter) and permitting such Financing Party (or designee, nominee, assignee or transferee) a reasonable

time within which to remedy such default in the case of an Event of Default which is susceptible of being cured (provided that the period to remedy such Event of Default shall continue beyond any period set forth in the Lease to effect said cure so long as such Financing Party (or designee, nominee, assignee or transferee) is diligently prosecuting such cure); *provided that* such Financing Party (or designee, nominee, assignee or transferee) shall pay or cause to be paid to the City and the Trustee all out-of-pocket expenses, including counsel fees, court costs and disbursements incurred by the City or the Trustee in connection with any such default; and

(vi) Such Financing Parties (and designees, nominees, assignees, or transferees) shall have the right to enter, possess and use the Project at such reasonable times and manner as are necessary to effectuate the remedies and enforce the rights of such Financing Parties under the applicable Financing Documents.

Section 10.5. Depreciation, Investment Tax Credit and Other Tax Benefits. The City agrees that any depreciation, investment tax credit or any other tax benefits with respect to the Project or any part thereof shall be made available to the Company, and the City will fully cooperate, at the sole cost and expense of the Company, with the Company in any effort by the Company to avail itself of any such depreciation, investment tax credit or other tax benefits.

Section 10.6. Company to Maintain Existence. The Company agrees that so long as any Bonds remain Outstanding, until all such Bonds are paid in full or payment in full is provided for in accordance with the terms of the Indenture, the Company will maintain the Company’s existence, and will not dissolve or otherwise dispose of all or substantially all of the Company’s assets; *provided, however,* that the Company may, without violating the agreement contained in this Section 10.6, consolidate with or merge into another person or entity or permit one or more other persons or entities to consolidate with or merge into the Company, or may sell or otherwise transfer to another person or entity all or substantially all of the Company’s assets as an entirety and thereafter dissolve; *provided, however,* the surviving, resulting or transferee entity: (a) expressly assumes in writing all the obligations of the Company contained in this Lease, and (b) such entity is controlled by, under common control with or controls the Company.

Section 10.7. Environmental Warranties, Covenants and Indemnities.

(a) During the Lease Term, the Company shall provide the City with copies of any notifications of releases of Hazardous Substances or of any environmental hazards or potential hazards which are given by or on behalf of the Company to any federal, state or local or other agencies or authorities or which are received by the Company from any federal, state or local or other agencies or authorities with respect to the Property, the Financed Facilities, the Financed Equipment, or the Project. Such copies shall be sent to the City concurrently with their being mailed or delivered to the governmental agencies or authorities or within Ten (10) Business Days after they are made or received by the Company; *provided that* failure of the Company to comply with the provision of this paragraph shall not constitute an Event of Default under this Lease.

(b) At all times during the Lease Term, the Company shall use commercially reasonable efforts to materially comply with and operate and at all times use, keep and maintain

the Property, the Financed Facilities, the Financed Equipment, and the Project and every part thereof (whether or not such property constitutes a “*facility*,” as defined in 42 U.S.C. § 9601 *et. seq.*) in material conformance with all applicable Environmental Laws. Without limiting the generality of the foregoing, the Company will not use, generate, treat, store, dispose of or otherwise introduce or permit any agent, employee, contractor, subcontractor or other party to contract (whether written or oral) of the Company to use, generate, treat, store, dispose of or otherwise introduce any Hazardous Substance into or on the Property, the Financed Facilities, the Financed Equipment, or the Project or any part thereof nor cause, suffer, allow or permit anyone else to do so except in material compliance with all applicable Environmental Laws.

(c) Except as may be caused by the gross negligence or willful misconduct of the City, its agents or employees, the Company agrees to indemnify, defend with legal counsel selected by the Company and reasonably acceptable to the City, which acceptance shall not be unreasonably withheld or delayed, and hold harmless the City, the EDC, and each of their respective officials, officers, agents, employees, Bond Counsel, attorneys, and assigns, and the Trustee, whole and harmless from and against any and all claims, demands, costs, liabilities, damages or expenses, including attorneys’ fees, arising from (i) any release (as defined in 42 U.S.C. § 9601 (22)) or threat of a release, actual or alleged, of any Hazardous Substances, upon the Project, the Property, the Financed Facilities, or the Financed Equipment or respecting any products or materials introduced or delivered to or arising at the Project, the Property, the Financed Facilities, or the Financed Equipment occurring during the Lease Term regardless of whether such release occurs as a result of any act, omission, negligence or misconduct of the Company, or any third party or otherwise, (ii) (A) any violation hereafter arising (actual or alleged) during the Lease Term of, or any other liability under or in connection with, any applicable Environmental Laws including, without limitation, obligations arising under common law, relating to or affecting the Project, the Property, the Financed Facilities, or the Financed Equipment during the Lease Term, or (B) any violation hereafter arising, actual or alleged during the Lease Term, or any other liability, under or in connection with, any applicable Environmental Laws including, without limitation, obligations arising under common law, relating to any products or materials previously, now or hereafter located upon, delivered to or in transit to or from the Project, the Property, the Financed Facilities, or the Financed Equipment during the Lease Term regardless of whether such violation or alleged violation or other liability is asserted or has occurred or arisen prior to the date hereof or hereafter is asserted or occurs or arises and regardless of whether such violation or alleged violation or other liability occurs or arises, as the result of any act, omission, negligence or misconduct of the Company or any third party or otherwise, (iii) any loss or injury arising out of, relating to or in connection with any Hazardous Substances on or allegedly on the Project, the Property, the Financed Facilities, or the Financed Equipment introduced or occurring during the Lease Term, or (iv) any breach, falsity or failure of any of the representations, warranties, covenants and agreements contained in this Section 10.7. Obligations arising under this paragraph 10.7(d) shall survive expiration or termination of this Lease for any reason.

Section 10.8. Security Interests. At the written request of the Bondowners of all of the Bonds then Outstanding, the City and the Company agree 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 City and the Trustee in and to the Basic Rent under this Lease. Upon the written instructions of the Bondowners of all of the Bonds then Outstanding,

the Trustee shall file all instruments such Bondowners shall deem reasonably necessary to be filed and shall continue or cause to be continued such instruments for so long as such Bonds shall be Outstanding. The City and the Company shall cooperate with the Trustee by executing such continuation statements and providing such information as the Trustee may reasonably require to renew such statements.

Section 10.9. Release and Indemnification of City, EDC and Trustee.

(a) Except in the case of gross negligence or willful misconduct of the City, its agents or employees, the Company hereby releases the City and the Trustee from, and agrees that neither the City, the EDC or the Trustee shall be liable for, any claim relating to the Project, the Property, the Financed Facilities or the Financed Equipment, or the use thereof, including any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Project, the Property, the Financed Facilities or the Financed Equipment or the use of any of them.

(b) Except as may be caused by the gross negligence or willful misconduct of the City, its agents or employees, the Company shall indemnify, defend with legal counsel selected by the Company and reasonably acceptable to the City, which acceptance shall not be unreasonably withheld or delayed, and hold harmless the City, its officials, officers, agents, employees, Bond Counsel, attorneys, and assigns, and the Trustee each whole and harmless from any loss, costs or expenses the City or any of the foregoing from any and all claims, demands, costs, liabilities, damages or expenses, including attorneys' fees, by or on behalf of any person, firm or corporation arising from the conduct or management of, or from any work or thing done in, on or about the Project, the Property, the Financed Facilities or the Financed Equipment during the Lease Term, and against and from all claims, demands, costs, liabilities, damages or expenses, including attorneys' fees, arising during the Lease Term from (a) any condition of the Project, the Property, the Financed Facilities or the Financed Equipment or any acts or omissions thereon by any person (other than willful misconduct or gross negligence of the City, its agents or employees); (b) any breach or default beyond any applicable notice and cure period on the part of the Company in the performance of any of the Company's obligations under the Development Agreement or this Lease; (c) any contract entered into in connection with the purchase, construction, extension or improvement of the Project, the Property, the Financed Facilities or the Financed Equipment; (d) any act of negligence of the Company or of any assignee of the Company or of any of their agents, contractors, servants, employees or licensees; or (e) the obtaining of any applicable exemptions from state or local sales or use taxes for materials or goods which become part of the Project, the Property, the Financed Facilities or the Financed Equipment. The foregoing indemnification obligations of the Company shall survive expiration or termination of this Lease for any reason.

ARTICLE XI

OPTION AND OBLIGATION TO PURCHASE THE PROJECT

Section 11.1. Options and Obligation to Purchase; Survival of Obligation.

(a) Provided that no Event of Default has occurred and is continuing beyond any applicable notice and cure period, the Company shall have the option to purchase the Project, the

Property, the Financed Facilities, and the Financed Equipment at any time following initial issuance of the Bonds and prior to the expiration of the Lease Term at a purchase price equal to the sum of the following:

- (i) An amount of money which, when added to the amount then on deposit in the Bond Fund, will be sufficient to redeem all the then Outstanding Bonds on the earliest redemption date as determined in accordance with Article III of the Indenture next succeeding the closing date of the purchase, including, without limitation, principal and interest to accrue to said redemption date and redemption expense; plus
- (ii) An amount of money equal to the Trustee’s agreed to fees and expenses under the Indenture accrued and to accrue until redemption of such Bonds then Outstanding; plus
- (iii) the sum of \$5,000.00.

At the Company’s election, to be exercised at least Five (5) Business Days prior to the exercise of the foregoing option to purchase, the Company may deliver to the Trustee for cancellation any portion of the Bonds not previously paid, and the Company shall receive a credit against the purchase price payable by the Company in an amount equal to 100% of the principal amount of the Bonds so delivered for cancellation, plus accrued interest thereon. The Company shall make arrangements satisfactory to the Trustee for giving of all required notices of redemption.

(b) Upon the earliest of: (i) the occurrence of an uncured material breach of or Event of Default under this Lease by the Company continuing beyond any applicable notice and cure period; (ii) the redemption of all of the Bonds then Outstanding pursuant Article III of the Indenture; (iii) the maturity from time to time of any portion of the Bonds in accordance with their terms; and (iv) expiration of the Lease Term, (each, a “Purchase Date”), the Company shall have the obligation to purchase and the City shall have the obligation to sell the Project, the Property, the Financed Facilities and the Financed Equipment or applicable portion(s) thereof for a purchase price equal to the Cumulative Outstanding Principal Amount of the Bonds as of the Purchase Date; *provided that* if the Company tenders all or any applicable portion of Outstanding Bonds to the Trustee for cancellation with instructions that such tender is in lieu of payment under this Section 11.1, such tender shall be deemed to satisfy the amount of funds required under this Section 11.1(b); and *provided, further*, that if an Event of Default has occurred and is continuing beyond any applicable notice and cure period and such default is curable by payment of Additional Rent, then the Company must cure such default by the payment of such Additional Rent prior to the conveyance of the Project, the Property, the Financed Facilities and the Financed Equipment by the City to the Company under this Section 11.1; and *provided further*, that the Company’s obligation to purchase those portions of the Project financed through the Bonds shall be effective upon expiration of the Lease Term with respect to the corresponding portions of the Project; *provided that the* Company’s obligation to purchase the Project, the Property, the Financed Facilities and the Financed Equipment under this Section 11.1 and the City’s obligation to sell the same shall each survive expiration or termination of this Lease for any reason.

Section 11.2. Conveyance of the Project. At the closing(s) of the purchase of the portions of the Project in accordance with Section 11.1 of this Lease, the City will, in each case, upon receipt of the applicable purchase price, deliver or cause to be delivered to the Company the following:

(a) A release from the Trustee of the applicable portion of the Project from the lien and/or security interest of the Indenture and this Lease; and

(b) Documents conveying to the Company legal title to the applicable portion of the Project, as then existing, subject to the following: (i) those liens and encumbrances, if any, to which title to Property, the Project, the Financed Facilities, and the Financed Equipment were subject when conveyed to the City; (ii) those liens and encumbrances created by the Company or to the creation or suffering of which the Company consented; (iii) those liens and encumbrances resulting from the failure of the Company to perform or observe any of the agreements of the Company contained in this Lease; (iv) Allowable Encumbrances other than the Indenture and this Lease; and (v) if the Project or any part thereof is being condemned, the rights and title of any condemning authority.

Section 11.3. Release of Portions of the Property.

(a) In the event that the Company, in the Company's reasonable discretion, determines that any portion of the Project has become unsuitable, undesirable or unnecessary for continued use, the Company shall have the option to release such portion of the Project from the requirements of this Lease and of the Indenture. Upon removal of: (i) any portion of the Property or the Financed Facilities, the Company shall provide written notice so stating to the City, to the Trustee, and to the office of the County of Randolph Assessor, and, upon delivery of such notices, such portion of the Property or the Financed Facilities shall be deemed removed from the Project; or (ii) any Financed Equipment, the Company shall promptly update the list of Financed Equipment maintained in accordance with Section 4.7 of this Lease and shall provide a copy of such list to the City and to the Trustee and, upon delivery of such updated list any items of Financed Equipment not set forth on such updated list shall be deemed to have been removed from the Project and shall be reflected on the Company's annual personal property filing with the office of the County of Randolph Assessor; *provided that* removal of any such portion of the Project pursuant to the provisions of this Section 11.3 shall not entitle the Company to any postponement of or diminution in the Basic Rent or Additional Rent required to be made by the Company under this Lease or in any payment obligation under the Development Agreement. The Company and the City mutually agree, upon the request of any party, to promptly execute and deliver, or cause or direct the Trustee to execute and deliver, appropriate documents, conveying to the Company title to any property comprising the portion of the Property, the Financed Facilities or the Financed Equipment being removed from the Project pursuant to this Section 11.3 and releasing the same from this Lease and from any lien of the Indenture or any other Bond Document.

(b) The Company acknowledges and agrees that in the event the Company effectuates at any time a release of any portion of the Property, the Project, the Financed Facilities, or the Financed Equipment under this Section 11.3: (i) such portion shall no longer be entitled to any tax relief or tax forbearance under the Development Agreement or otherwise; and (ii) no release by the Company of any portion of the Property, the Project, the Financed Facilities, or the Financed Equipment shall excuse or diminish in any way (a) the Company's obligations for payments,

indemnification, provision of payment bonds, or for Full Time Equivalent (FTE) Job (as that term is defined in the Development Agreement) creation and maintenance under the Development Agreement; or (b) the City's rights to indemnification and to be protected by insurance coverages and payment bonds or similar security required under this Lease, whether with respect to the portion of the Project so released, the remaining portions of the Project, or otherwise.

ARTICLE XII DEFAULTS 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) Default in the due and punctual payment of Basic Rent or Additional Rent, and such default shall continue for Ten (10) days after the City or the Trustee has given the Company written notice specifying such default (or such longer period as shall be reasonably required to cure such default; *provided that* (i) the Company has commenced such cure within said 10-day period, and (ii) the Company diligently prosecutes such cure to completion); or

(b) Default in the due observance or performance of any other material covenant, agreement, obligation or provision of this Lease on the Company's part to be observed or performed, which would significantly impair the Company's ability to make timely payments of Basic Rent or Additional Rent and such default shall continue for Sixty (60) days after the City or the Trustee has given the Company written notice specifying such default (or such longer period as shall be reasonably required to cure such default; *provided that* (i) the Company has commenced such cure within said 60-day period, and (ii) the Company diligently prosecutes such cure to completion); or

(c) The Company shall: (i) admit in writing the Company's inability to pay the Company's debts as they become due; or (ii) file a petition in bankruptcy or for reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the United States Bankruptcy Code as now or in the future amended or any other similar present or future federal or state statute or regulation, or file a pleading asking for such relief; or (iii) make an assignment for the benefit of creditors; or (iv) consent to the appointment of a trustee, receiver or liquidator for all or a major portion of the Company's property or shall fail to have the appointment of any trustee, receiver or liquidator made without the Company's consent or acquiescence, vacated or set aside; or (v) be finally adjudicated as bankrupt or insolvent under any federal or state law; or (vi) be subject to any proceeding, or suffer the entry of a final and non-appealable court order, under any federal or state law appointing a trustee, receiver or liquidator for all or a major part of the Company's property or ordering the winding-up or liquidation of the Company's affairs, or approving a petition filed against the Company under the United States Bankruptcy Code, as now or in the future amended, which order or proceeding, if not consented to by the Company, shall not be dismissed, vacated, denied, set aside or stayed within Ninety (90) days after the day of entry or commencement; or (vii) suffer a writ or warrant of attachment or any similar process to be issued by any court against all or any substantial portion of the Company's property, and such writ or warrant of attachment or any similar process is not contested, stayed, or is not released within Sixty (60) days after the final entry, or levy or after any contest is finally adjudicated or any stay is vacated or set aside; or

(d) Any default by the Company in the performance of the Company’s obligations under the Development Agreement which arises out of: (i) the City’s right to receive any payment for the City’s own account required by the Development Agreement; or (ii) the City’s rights to indemnification (including, without limitation, such rights of its officials, officers, agents, employees, Bond Counsel, attorneys, and assigns of its acting in any capacity) or to be protected from liabilities by insurance coverages and payment bonds or similar security as required by the Development Agreement; or (iii) the Company’s failure to obtain or maintain or cause to be obtained and maintained insurance coverages and payment bonds or similar security required by the Development Agreement, and such default shall continue for sixty (60) days after the City has given the Company written notice specifying such default (or such longer period as shall be reasonably required to cure such default; *provided that* (A) the Company has commenced such cure within such 60-day period, and (B) the Company diligently prosecutes such cure to completion.

Section 12.2. Remedies on Default. If any Event of Default referred to in Section 12.1 of this Lease shall have occurred and be continuing beyond any applicable grace, notice or cure period, then the City may at the City’s sole election then or at any time thereafter, and while such default shall continue, take any one or more of the following actions:

(a) Cause all amounts payable with respect to the Bonds for the remainder of the Lease Term to become due and payable, as provided in the Indenture; or

(b) Give the Company written notice of the City’s intention to terminate this Lease on a date specified therein, which date shall not be earlier than Sixty (60) days after such notice is given, and if all defaults have not then been cured, or if such defaults are not curable within such notice period, the Company is diligently and expeditiously pursuing such cure, on the date so specified, the Company’s rights to possession of the Project, the Property, the Financed Facilities and the Financed Equipment shall cease and this Lease shall thereupon be terminated, and the City may re-enter and take possession of the Project, the Property, the Financed Facilities and the Financed Equipment; *provided that* the Company shall remain obligated to purchase the Project, the Property, the Financed Facilities and the Financed Equipment and the City shall be obligated to sell the same under the terms set forth in this Lease.

Section 12.3. Survival of Obligations. The Company covenants and agrees with the City, the Trustee and the Bondowner that the Company’s obligations under this Lease shall survive the cancellation and termination of this Lease, for any cause, and that the Company shall continue to pay the Basic Rent and Additional Rent and perform all other obligations provided for in this Lease, all at the time or times provided in this Lease; *provided, however*, that upon the payment of all Basic Rent and Additional Rent required under Article V of this Lease, and upon the satisfaction and discharge of the Indenture under Section 1301 thereof, the Company’s obligation under this Lease shall thereupon cease and terminate and the City shall convey to the Company, the Project, the Property, the Financed Facilities, and the Financed Equipment in accordance with this Article XII.

Section 12.4. Rights and Remedies Cumulative. The rights and remedies reserved by the City and the Company hereunder and those provided by law shall be construed as cumulative and continuing rights. No one of them shall be exhausted by the exercise thereof on one or more

occasions. The City and the Company shall each be entitled to specific performance and injunctive or other equitable relief for any breach or threatened breach of any of the provisions of this Lease, notwithstanding availability of an adequate remedy at law, and each party hereby waives the right to raise such defense in any proceeding in equity. The City further agrees that neither the City nor the Trustee shall enforce any right or obligation hereunder (except for the City's or the Trustee's respective right to receive any payment for its own account under the Indenture, the Lease, the Development Agreement or any other agreement related to the Bonds or for their rights of indemnification under this Lease or the Development Agreement or to be protected from liabilities by insurance coverages and payment bonds or similar security required by this Lease or the Development Agreement) if so directed in writing by the Bondowners of 100% of the Outstanding Bonds.

Section 12.5. Waiver of Breach. No waiver of any breach of any covenant or agreement contained in this Lease shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement, and in case of a breach by the Company of any covenant, agreement or undertaking by the Company, the City may nevertheless accept from the Company any payment or payments hereunder without in any way waiving City's right to exercise any of the City's rights and remedies provided for in this Lease with respect to any such default or defaults of the Company which were in existence at the time such payment or payments were accepted by the City.

Section 12.6. Opportunity of Company to Cure Defaults. With regard to any alleged default concerning which notice is given to the Company under the provisions of this Article XII, the City hereby grants the Company full authority for account of the City to perform any covenant or obligation, the nonperformance of which is alleged in said notice to constitute a default, in the name and stead of the City, with full power to do any and all things and acts to the same extent that the City could do and perform any such things and acts in order to remedy such default.

Section 12.7. Trustee's Exercise of the City's Remedies. Whenever any Event of Default shall have occurred and be continuing, the Trustee may, but except as otherwise provided in the Indenture shall not be obliged to, exercise any or all of the rights of the City under this Article XII, upon notice as required of the City unless the City has already given the required notice. In addition, the Trustee shall have available to the Trustee all of the remedies prescribed by the Indenture.

**ARTICLE XIII
ASSIGNMENT**

Section 13.1. Limited Assignment. The Company shall have the limited right to assign, transfer, and encumber this Lease as set forth in Section 10.4 of this Lease. The Company shall have the further right to assign or sublease any interests in this Lease without the prior consent of the City to a successor entity Controlled by or under common Control with or Controlling the Company and which becomes the owner of all of the Bonds upon the effectiveness of such assignment. With respect to any such assignment, the Company shall comply with the following conditions:

- (i) Such assignment shall be in writing, duly executed and acknowledged by the assignor and by the assignee and in proper form for recording;

(ii) Such assignment shall include the entire then unexpired Lease Term; and

(iii) A duplicate original of such assignment shall be delivered to the City and the Trustee within Ten (10) Business Days after the execution thereof, together with an assumption agreement, duly executed and acknowledged by the assignee in proper form for recording, by which the assignee shall assume all of the terms, covenants and conditions of this Lease, the Development Agreement, the Bond Purchase Agreement, and any other documents related to the issuance of the Bonds on the part of the Company to be performed and observed.

Section 13.2. Assignment of Revenues by City. The City shall assign and pledge any rents, revenues and receipts receivable under this Lease, to the Trustee pursuant to the Indenture as security for payment of the principal of, interest and premium, if any, on the Bonds and the Company hereby consents to such pledge and assignment.

Section 13.3. Prohibition Against Fee Mortgage and/or Security Agreement. The City shall not mortgage or grant a security interest in the City's fee interest in the Project or any portion thereof but may assign the City's interest in and pledge any moneys receivable under this Lease to the Trustee pursuant to the Indenture as security for payment of the principal of and interest on the Bonds.

Section 13.4. Restrictions on Sale or Encumbrance by City. During the Lease Term, the City agrees that, except to secure the Bonds issued pursuant to the Indenture, the City will not sell, assign, encumber, mortgage, transfer or convey the Project, the Property, the Financed Facilities or the Financed Equipment or any portion thereof or any interest therein. The Company consents to the assignment of the City's interests in this Lease solely to the Trustee pursuant to the Indenture to secure the Bonds.

ARTICLE XIV AMENDMENTS, CHANGES AND MODIFICATIONS

Section 14.1. Amendments, Changes and Modifications. Except as otherwise provided in this Lease or in the Indenture, subsequent to the initial issuance of the Bonds and prior to the payment in full of all of the Bonds Outstanding (or provision for the payment thereof having been made in accordance with the provisions of the Indenture), this Lease may not be effectively amended, changed, modified, or altered without the prior written consent of the Trustee, given in accordance with the provisions of the Indenture, which consent shall not be unreasonably withheld, conditioned, or delayed.

ARTICLE XV MISCELLANEOUS PROVISIONS

Section 15.1. Notices. All notices, certificates or other communications required or desired to be given hereunder shall be in writing and shall be deemed duly given when (a) mailed by

registered or certified mail, postage prepaid, or (b) sent by overnight delivery or other delivery service which requires written acknowledgment of receipt by the addressee, addressed as follows:

- (a) To the City: City of Moberly, Missouri
101 West Reed Street - City Hall
Moberly, Missouri 65270
ATTN: City Manager

- with a copy to: Gilmore & Bell, P.C.
211 N. Broadway, Suite 2000
St. Louis, Missouri 63102
ATTN: Shannon Creighton, Esq.

- (b) To the Trustee: BOKF, N.A.
200 North Broadway, Suite 1710
St. Louis, Missouri 63102
ATTN: Corporate Trust Department

- (c) If to the Company: EquipmentShare.com Inc.
5710 Bull Run Drive
Columbia, Missouri 65201
Attention: _____

with a copy to:

Attention: _____

All notices given by certified or registered mail as aforesaid shall be deemed fully given as of the date they are so mailed. A duplicate copy of each notice, certificate or other communication given hereunder by either the City or the Company to the other shall also be given to the Trustee. The City, the Company, and the Trustee 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 15.2. Net Lease. The parties hereto agree: (a) that this Lease shall be deemed and construed to be a net lease, (b) that the payments of Basic Rent are designed to provide the City and the Trustee funds adequate in amount to pay all principal of and interest accruing on the Bonds as the same become due and payable, (c) that to the extent that the payments of Basic Rent are not sufficient to provide the City and the Trustee with funds sufficient for the purposes aforesaid, the Company shall be obligated to pay, and the Company does hereby covenant and agree to pay, upon demand therefor, as Additional Rent, such further sums of money, in cash, as may from time to time be required for such purposes, and (d) that if after the principal of and interest on the Bonds and all costs incident to the payment of the Bonds (including the fees and expenses of the City and the Trustee) have been paid in full the Trustee or the City holds unexpended funds received in accordance with the terms hereof, such unexpended funds shall, after payment therefrom of all sums

then due and owing by the Company under the terms of this Lease, and except as otherwise provided in this Lease and the Indenture, become the absolute property of and be paid over forthwith to the Company.

Section 15.3. No Pecuniary Liability. No provision, covenant or agreement contained in this Lease, the Development Agreement, the Indenture or any Bond of any series, or any obligation herein or therein imposed upon the City, or the breach thereof, shall constitute or give rise to or impose upon the City a pecuniary liability or a charge upon the general credit or taxing powers of the City or of the County of Randolph or of the State of Missouri or any political subdivision thereof.

Section 15.4. Governing Law. This Lease and its performance shall be governed by and construed under the laws of the State of Missouri, without regard to choice or conflict of laws provisions. The parties hereto agree that any action at law, suit in equity, or other judicial proceeding arising out of this Agreement shall be instituted only in the Circuit Court of Randolph County, Missouri or in the Federal District Court for the Eastern District of Missouri and waive any objections based upon venue or *forum non conveniens* or otherwise. and waive any and all objections to the application of Missouri law and/or to the foregoing selection of fora.

Section 15.5. Binding Effect. This Lease shall be binding upon and shall inure to the benefit of the City and the Company and their respective successors and assigns.

Section 15.6. Captions; Recitals and Exhibits; Lease Preparation. The headings and captions of this Lease are for convenience and reference only, and in no way define, limit, or describe the scope or intent of this Lease of any provision thereof and shall in no way be deemed to explain, modify, amplify or aid in the interpretation or construction of the provisions of this Lease. The Recitals found at the beginning of this Lease are incorporated herein by reference and are important and material parts of this Lease. Each party to this Lease and their attorneys have had full opportunity to review and participate in the drafting of the final form of this Lease and all documents attached as exhibits and schedules. This Lease shall be construed without regard to any presumption or other rule of construction whereby ambiguities within this Lease or such other document would be construed or interpreted against the party causing the document to be drafted. The parties each further represent that the terms of this Lease and the documents attached to this Lease as exhibits and schedules have been completely read by them and that those terms are fully understood and voluntarily accepted by them. In any interpretation, construction or determination of the meaning of any provision of this Lease, no presumption whatsoever shall arise from the fact that the Lease was prepared by or on behalf of any party.

Section 15.7. No Waiver of Sovereign Immunity. Nothing in this Lease shall be construed or deemed to constitute a waiver of the City's sovereign immunity.

Section 15.8. Relationship of the Parties; Third Party Beneficiaries. Nothing contained in this Lease nor any act of the City or of the Company shall be deemed or construed to create a partnership or agency relationship between or among any party. Other than as expressly provided in this Lease, no party shall be the agent of, or have any rights to create any obligations or liabilities binding on, another party. The parties do not intend to and do not confer any benefit

under this Lease on any other person or entity other than the Trustee and the EDC, as expressly provided herein and parties hereto.

Section 15.9. Severability. If any term, covenant, condition or provision of this Lease or the application of this Lease to any person or circumstance shall, at any time or to any extent, be finally declared by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected by the partial invalidity, and each term, covenant, condition and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law unless such partial invalidity prevents a party from realizing the full benefit of the bargain represented by the entire Lease.

Section 15.10. Execution in Counterparts. Each person executing this Lease in a representative capacity warrants and represents that he or she has authority to do so and upon request by another party proof of such authority in customary form will be furnished to the requesting party. This Lease may be executed at different times and in two or more counterparts and all counterparts so executed shall for all purposes constitute one and the same instrument, binding on the parties hereto, notwithstanding that both parties may not have executed the same counterpart. In proving this Lease it shall not be necessary to produce or account for more than one such counterpart executed by the party against whom enforcement is sought.

Section 15.11. Recordation. This Lease shall not be recorded; *provided that* the parties to this Lease agree to execute concurrently with the execution of this Lease and promptly cause to be recorded in the Office of the Randolph County Recorder a Memorandum of Lease Purchase Agreement in substantially the form of Exhibit C, attached to and incorporated by reference in this Lease.

Section 15.12. Reference Date. This Lease is dated for reference purposes only as of the first day of _____, 2023 and will not be effective and binding on the parties hereto unless and until the closing on the initial issuance of the Bonds and the conveyance of the Property to the City occur.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK--SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed in their respective names by their duly authorized signatories, all as of the date first above written.

CITY OF MOBERLY, MISSOURI
as "Lessor"

By: _____
Jerry Jeffrey, Mayor

(Seal)

ATTEST:

Shannon Hance, City Clerk

EQUIPMENTSHARE.COM INC.
as "Lessee"

By: _____

Name:

Title:

EXHIBIT A
THE PROPERTY

Parcel No. 07-7.0-26.0-0.0-000-014.000 in the records of the Randolph County, known and numbered as 1855 Robertson Road, Moberly Missouri and partially described as:

Sec: 26.0 Twp: 54 Range: 14 - PT OF SE1/4: BEG 792.75' S & 34.77' W OF NE COR OF SE1/4, TH S 751.68', W 82', SWLY 146.57', SLY 268.12' TO N LINE OF HUNTHAUSEN RD, TH W 479.96', N 1110.26' TO S LINE OF FOWLER RD, TH E 700.10'>

Sec: 26.0 Twp: 54 Range: 14 - PT OF SE1/4: BEG 792.75' S & 34.77' W OF NE COR OF SE1/4, TH S 751.68', W 82', SWLY 146.57', SLY 268.12' TO N LINE OF HUNTHAUSEN RD, TH W 479.96', N 1110.26' TO S LINE OF FOWLER RD, TH E 700.10'>

A total of 16.0 +/- acres.

EXHIBIT B**FORM OF REQUISITION CERTIFICATE**

Requisition No. ____
Date: _____, 202__

REQUISITION CERTIFICATE
PROJECT COSTS

TO: BOKF, N.A., AS TRUSTEE (THE “TRUSTEE”) UNDER THAT CERTAIN TRUST INDENTURE DATED AS OF _____ 1, 2023 (THE “INDENTURE”), BETWEEN THE CITY OF MOBERLY, MISSOURI (THE “CITY”) AND THE TRUSTEE, AND THAT CERTAIN LEASE PURCHASE AGREEMENT OF EVEN DATE THEREWITH (THE “LEASE”), BY AND BETWEEN THE CITY, AS LESSOR, AND EQUIPMENTSHARE.COM INC., AS LESSEE (THE “COMPANY”).

The undersigned hereby acknowledges that a total of \$_____ has been deemed paid for Project Costs (as defined in said Trust Indenture) in such amounts and for such purposes as set forth on **Schedule 1** and **Schedule 2** attached hereto. Such payment has been deemed satisfied through the delivery to the Company of or an endorsement to the Bonds in accordance with the terms of the Lease and of the Indenture. Accordingly, no funds have been deposited or withdrawn from the Acquisition Fund. In accordance with the terms of the Lease and the Indenture the Company hereby certifies as follows:

1. The Company has conveyed to the City and the City has accepted all of the Company’s rights, title and interest in and to the property described in **Schedule 1** and **Schedule 2** hereto pursuant to a Special Warranty Deed or bill of sale dated the date hereof.
2. Each item for which payment is requested under this Certificate is a proper charge against the applicable account within the Acquisition Fund, that the amount requested is justly due, and has not been the basis of any previous requisition from the Acquisition Fund.
3. The Company hereby represents and warrants to the City that there are no outstanding disputed statements (other than those which constitute Allowable Encumbrances under the Lease) for which payment is requested hereunder for labor, wages, materials, supplies or services which could become the basis of a vendors’, mechanics’, laborers’, or materialmen’s statutory or other similar lien upon the Property or any part thereof or improvement thereto.

EQUIPMENTSHARE.COM INC.
the “Company”

By: _____
Authorized Company Representative

Acknowledged: _____, 202__

CITY OF MOBERLY, MISSOURI
the “City”

By: _____
Authorized City Representative

SCHEDULE 1
TO REQUISITION CERTIFICATE NO. ____

THE PROPERTY AND FINANCED FACILITIES

<u>Payee and Address</u>	<u>Description</u>	<u>Deemed Amount</u>
.	(For Financed Equipment, \$ _____ See Schedule 2 attached)	

SCHEDULE 2
TO REQUISITION CERTIFICATE NO. ____

FINANCED EQUIPMENT

<u>Item</u> <u>(Description)</u>	<u>Serial or Identification Number</u>
-------------------------------------	--

EXHIBIT C

MEMORANDUM OF LEASE PURCHASE AGREEMENT (form)

_____ [Space Above this Line for Recording Data] _____

Title of Document: Memorandum of Lease Purchase Agreement

Date of Document: _____ 1, 2023

Grantor's/Lessor's Name: City of Moberly,
a Missouri municipal corporation

Grantor's/Lessor's Address: 101 West Reed - City Hall
Moberly, Missouri 65270

Grantees/Lessee's Name: EquipmentShare.com Inc.,
a Delaware corporation

Grantee's/Lessee's Address: 5710 Bull Run Drive
Columbia, Missouri 65201

Full Legal Description:
Legal Description is contained on page ____ hereof.

Reference Book(s) and Page(s), if required:

MEMORANDUM OF LEASE PURCHASE AGREEMENT

THIS MEMORANDUM OF LEASE PURCHASE AGREEMENT (this “**Memorandum**”) is made as of _____1, 2023, by and between the CITY OF MOBERLY, a Missouri municipal corporation and city of the third classification and having an office at 101 West Reed Street, Moberly, Missouri, as Lessor (the “**City**”) and EQUIPMENTSHARE.COM INC. a Delaware corporation duly authorized to do business in Missouri and having a principal office at 5710 Bull Run Drive, Columbia, Missouri 65201 (the “**Company**”). *Capitalized terms used and not defined in this Memorandum shall have the meanings ascribed to them in the Lease (as hereinafter defined).*

RECITALS

A. In furtherance of providing certain economic incentives to the Company in connection with a “project” under the Acts, the City has acquired and is the fee owner of a parcel of real property comprising the Property located with the City and legally described on Exhibit A attached hereto, as of the date of the Lease (the “**Property**”);

B. The City and the Company have made and entered into that certain Lease Purchase Agreement dated as of _____1, 2023 (the “**Lease**”) pursuant to which, among other things, the City, as lessor, did agree to demise and lease to the Company and the Company, as lessee, did agree to lease and take from the City, the Property, subject to the provisions set forth therein;

C. Pursuant to the terms of the Indenture, the City, among other things, has pledged to the Trustee in trust for the benefit of the holders of the Bonds, the rents received under the Lease, and the City and the Company are desirous of entering into this Memorandum;

NOW, THEREFORE, intending to be legally bound hereby, the City and the Company, hereby set forth the following information with respect to the Lease:

- 1. The recitals noted above are incorporated herein by reference.
- 2. The name and identity of the Lessor is the CITY OF MOBERLY, MISSOURI, a Missouri municipal corporation and city of the third classification.
- 3. The name and identity of the Lessee is EQUIPMENTSHARE.COM INC. a Delaware corporation duly authorized to do business in Missouri.

4. The addresses set forth in the Lease Agreement as addresses of the parties are:

the Company EquipmentShare.com Inc.
 5710 Bull Run Drive
 Columbia, Missouri 65201

the City City of Moberly, Missouri
 101 West Reed Street - City Hall
 Moberly, Missouri 65270

5. The Lease is dated as of _____ 1, 2023.

6. Under the Indenture, the City, among other things, has pledged and assigned to the Trustee in trust for the benefit of the holders of the Bonds (which, as of the date hereof, is the Company), all right, title and interest in the Property and, as and when acquired by the City, the Project, the Property, the Financed Facilities, and the Financed Equipment, and the rents, revenues and receipts derived by the City under the Lease.

7. The Company has an option and an obligation to purchase the Project, the Property, the Financed Facilities and the Financed Equipment under Article XI of the Lease.

8. The term of the lease contained in the Lease commenced on _____ 1, 2023, and expires on the later of: (i) December 31, 2034 (12 years following the last date for acceptance by the City of any portion of the Financed Facilities or the Financed Equipment;) or (ii) with respect to each portion of the Bonds represented by an annual endorsement of principal, December 1 of that year which is Twelve (12) years from the year of such annual endorsement as set forth on the Table to which an Additional Payment/Principal Amount Advanced (all as provided in Section 208(e) of the Indenture) pertains.

WITNESS the due execution hereof as of the date first written above.

CITY OF MOBERLY, MISSOURI
as "Lessor"

By: _____
Jerry Jeffrey, Mayor

(Seal)
ATTEST:

Shannon Hance, City Clerk

CITY ACKNOWLEDGMENT

STATE OF MISSOURI)
) **SS.**
COUNTY OF RANDOLPH)

On this ____ day of _____, 2023, before me, the undersigned, a Notary Public in and for said State, personally appeared Jerry Jeffrey and Shannon Hance, who acknowledged themselves to be, respectively, the Mayor and City Clerk of **CITY OF MOBERLY, MISSOURI**, a city of the third classification organized and existing under the laws of the State of Missouri, and that they, as such Mayor and such City Clerk are authorized by the City Council of

EXHIBIT A (to Memorandum of Lease Purchase Agreement)**THE PROPERTY (legal description)**

Parcel No. 07-7.0-26.0-0.0-000-014.000 in the records of the Randolph County, known and numbered as 1855 Robertson Road, Moberly Missouri and partially described as:

Sec: 26.0 Twp: 54 Range: 14 - PT OF SE1/4: BEG 792.75' S & 34.77' W OF NE COR OF SE1/4, TH S 751.68', W 82', SWLY 146.57', SLY 268.12' TO N LINE OF HUNTHAUSEN RD, TH W 479.96', N 1110.26' TO S LINE OF FOWLER RD, TH E 700.10'>

Sec: 26.0 Twp: 54 Range: 14 - PT OF SE1/4: BEG 792.75' S & 34.77' W OF NE COR OF SE1/4, TH S 751.68', W 82', SWLY 146.57', SLY 268.12' TO N LINE OF HUNTHAUSEN RD, TH W 479.96', N 1110.26' TO S LINE OF FOWLER RD, TH E 700.10'>

A total of 16.0 +/- acres.

EXHIBIT D**FORM OF SUPPLEMENTAL LEASE****SUPPLEMENTAL LEASE AGREEMENT**

Dated as of _____, 20__

By and between

CITY OF MOBERLY, MISSOURI,
as Lessor,

and

EQUIPMENTSHARE.COM INC., INC.,
as Lessee

Relating to:

\$55,000,000.00
(Aggregate Maximum Principal Amount)
City of Moberly, Missouri
Taxable Industrial Revenue Bonds
(EquipmentShare.com Inc. Manufacturing, Refurbishment and
Distribution Facility Project)
Series 2023

The interest of certain rights of the City of Moberly, Missouri (the “City”), in this _____ Supplemental Lease Purchase Agreement has been pledged and assigned to BOKF, N.A., as Trustee (the “Trustee”) under that certain Trust Indenture dated as of _____ 1, 2023, between the City and the Trustee (the “Indenture”).

_____ SUPPLEMENTAL LEASE PURCHASE AGREEMENT

THIS _____ SUPPLEMENTAL LEASE PURCHASE AGREEMENT (this “**_____ Supplement**”) is made as of _____, 20__ to a certain Lease (as hereinafter defined) by and between the CITY OF MOBERLY, MISSOURI, a city of the third classification organized and existing under the laws of the State of Missouri (the “**City**”), as lessor, and EQUIPMENTSHARE.COM INC., a Delaware corporation duly authorized to transact business in Missouri (the “**Company**”), as lessee. *Capitalized terms used and not defined herein shall have the meanings ascribed to them in that certain Indenture of Trust dated as of _____ 1, 2023 (the “**Indenture**”) by and between the City and BOKF, N.A., as trustee.*

WITNESSETH:

WHEREAS, the City is authorized under the Acts to issue revenue bonds to provide funds for the carrying out of a “project” (as that term is defined in section 100.010 of the Revised Statutes of Missouri, as amended) and to sell, lease or mortgage to private persons, partnerships or corporations the facilities purchased, constructed or extended by the City which may consist of warehouses, distribution facilities, research and development facilities, office industries, agricultural processing industries, service facilities which provide interstate commerce and industrial plants; and

WHEREAS, pursuant to the Acts, the City Council on February 21, 2023 after duly noticed public hearing adopted Ordinance No. _____ (1) approving a plan for the Project, (2) approving the Development Agreement and (3) authorizing, among other things, the issuance by the City of its Taxable Industrial Revenue Bonds (EquipmentShare.com Inc. Manufacturing, Refurbishment and Distribution Facility Project) Series 2023 in a maximum aggregate principal amount of not to exceed \$55,000,000 for the purpose of financing the Project on the Property; execution and delivery by the City of this Indenture for the purpose of issuing and securing the Bonds; to entering by the City into the Lease under which the City as lessor will lease the Property and the Project as constructed and completed to the Company as lessee, in consideration of rentals which will be sufficient to pay when and as due the principal of and interest on the then-current Cumulative Outstanding Principal Amount of Bonds, and annual acceptance, but not later than December 31, 2028, by the City of completed portions of the Financed Facilities and the Financed Equipment, all as provided in the Lease and in accordance with the Acts; and

WHEREAS, pursuant to the Bond Ordinance, the City and the Company have entered into the Lease [and applicable Supplemental Leases] pursuant to which the City has acquired and obtained title to the entire the Property [and to certain portions of the Project] and has leased same to the Company in consideration of rental payments by the Company which will be sufficient to pay the principal of and interest on the Bonds and which Lease additionally contemplates the further acquisition, installation and leasing from time to time by or on behalf of the City to the Company of certain other portions of the Project as and when constructed and installed; and

WHEREAS, pursuant to the foregoing, the City and the Company desire to enter into this _____ Supplement to provide for the acquisition by or on behalf of the City of the portions of the Project described in Exhibit A attached to and incorporated by reference in this _____ Supplement,

the leasing from the City, for the rentals and upon the terms and conditions hereinafter set forth to the Company of the aforesaid portions of the Project, all as provided in the Lease and the Indenture;

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and agreements herein contained, the City and the Company do hereby represent, covenant and agree as follows:

Section 1. Exhibit A Amended and Supplemented. The Lease is hereby amended and supplemented by deleting therefrom Exhibit A thereto and by substituting therefor a new Exhibit A as set forth on Appendix A hereto.

Section 2. No Other Amendment. Portions of the Lease not expressly amended and supplemented in Section 1 hereof, shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Supplement to be executed in their respective names by their duly authorized signatories, all as of the date first above written.

CITY OF MOBERLY, MISSOURI
“Lessor”

By: _____
Mayor

(SEAL)
ATTEST:

By: _____
City Clerk

CITY ACKNOWLEDGMENT

STATE OF MISSOURI)
) **SS.**
COUNTY OF RANDOLPH)

On this ____ day of _____, 202__, before me, the undersigned, a Notary Public in and for said State, personally appeared _____ and _____, who acknowledged themselves to be, respectively, the Mayor and City Clerk of **CITY OF MOBERLY, MISSOURI**, a city of the third class organized and existing under the laws of the State of Missouri, and that they, as such Mayor and such City Clerk are authorized by the City Council of such City, to execute the foregoing instrument for the purposes therein contained by signing the name of the City by themselves as Mayor and City Clerk.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

EXHIBIT A (to _____ Supplement)
**LEGAL DESCRIPTION OF PROPERTY AND PROJECT [AND SCHEDULE OF
FINANCED EQUIPMENT]**

TRUST INDENTURE

Dated as of _____ 1, 2023

Between

CITY OF MOBERLY, MISSOURI

AND

**BOKF, N.A.,
as Trustee**

Relating to:

\$55,000,000
(Aggregate Maximum Principal Amount)
City of Moberly, Missouri
Taxable Industrial Revenue Bonds
(EquipmentShare.com Inc. Manufacturing, Refurbishment and
Distribution Facility Project)
Series 2023

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TRUST INDENTURE

THIS TRUST INDENTURE (this “**Indenture**”) dated as of _____ 1, 2023, by and between the CITY OF MOBERLY, MISSOURI, a city of the third classification and municipal corporation organized and existing under the laws of the State of Missouri (the “**City**”), and BOKF, N.A., St. Louis, Missouri, a national banking association duly organized and existing and authorized to accept and execute trusts of the character set forth in this Indenture, as trustee (the “**Trustee**”). *Capitalized terms used and not otherwise defined in this Indenture shall have the meanings respectively ascribed to them in Article I of this Indenture.*

WITNESSETH:

WHEREAS, the City is authorized by the Acts, to issue revenue bonds to provide funds for the carrying out of a “project” (as that term is defined in section 100.010 of the Revised Statutes of Missouri, as amended) and to sell, lease or mortgage to private persons, partnerships or corporations the facilities purchased, constructed or extended by the City which may consist of warehouses, distribution facilities, research and development facilities, office industries, agricultural processing industries, service facilities which provide interstate commerce and industrial plants; and

WHEREAS, pursuant to the Acts, the City Council on February 21, 2023 after duly noticed public hearing adopted Ordinance No. _____ (1) approving a plan for the Project, (2) approving the Development Agreement and (3) authorizing, among other things, the issuance by the City of its Taxable Industrial Revenue Bonds (EquipmentShare.com Inc. Manufacturing, Refurbishment and Distribution Facility Project) Series 2023 in a maximum aggregate principal amount of not to exceed \$55,000,000 for the purpose of financing the Project on the Property; execution and delivery by the City of this Indenture for the purpose of issuing and securing the Bonds; to entering by the City into the Lease under which the City as lessor will lease the Property and the Project as renovated and completed to the Company as lessee, in consideration of rentals which will be sufficient to pay when and as due the principal of and interest on the then-current Cumulative Outstanding Principal Amount of Bonds, and annually acceptance, but not later than December 31, 2028, by the City of completed portions of the Financed Facilities and the Financed Equipment, all as provided in the Lease and in accordance with the Acts; and

WHEREAS, all things necessary to make the Bonds, when authenticated by the Trustee and issued as in this Indenture provided, the valid and legally binding obligations of the City, and to constitute this Indenture a valid and legally binding pledge and assignment of the trust estate herein made for the security of the payment of the principal of and interest on the Bonds, have been done and performed, and the execution and delivery of this Indenture and the execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, THIS TRUST INDENTURE WITNESSETH:

GRANTING CLAUSES

That the City, in consideration of the above premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Bonds by the Bondowners thereof, and of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged,

and to secure the payment of the principal of and interest on the Bonds issued and 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 in this Indenture and in the Bonds contained, does hereby pledge and assign to the Trustee and its successors and assigns forever, the property described in paragraphs (a), (b) and (c) below (said property being herein referred to as the “**Trust Estate**”), to-wit:

(a) All right, title and interest in and to the Project, the Financed Facilities and the Financed Equipment, together with the tenements, hereditaments, appurtenances, rights, privileges and immunities thereunto belonging or appertaining;

(b) All right, title and interest of the City in, to and under the Lease and any Supplemental Lease (excluding the City’s right to receive moneys for the City’s own account and the City’s rights to indemnification under the Development Agreement and the Lease or to be protected from liabilities by insurance policies, payment bonds or other similar security required by the Lease or the Development Agreement, as provided therein or herein), and all rents, revenues and receipts derived by the City from the Property, the Financed Facilities and the Financed Equipment including, without limitation, all rentals and other amounts to be received by the City and paid by the Company under and pursuant to and subject to the provisions of the Lease; and

(c) All moneys 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 the City or by anyone in its behalf, 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 hereof.

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 Bondowners from time to time of the Bonds Outstanding under this Indenture, without preference, priority or distinction as to lien or otherwise of any of the Bonds over any other of the Bonds 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 of and interest on the Bonds, at the time and in the manner mentioned in the Bonds, according to the true intent and meaning thereof, or shall provide for the payment thereof (as provided in Article XIII 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 the City in accordance with the terms and provisions hereof, then upon such final payments, this Indenture and the rights thereby 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 Bonds issued and secured hereunder are to be issued, authenticated and delivered and that all 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 Bondowners from time to time of the Bonds, as follows:

ARTICLE I DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to words and terms defined in Section 1.1 of the Lease, which definitions shall be deemed to be incorporated in this Article I and this Indenture, and terms defined elsewhere in this Indenture, the following words and terms as used in this Indenture shall have the following meanings, unless some other meaning is plainly intended:

“Acquisition Fund” shall mean the “City of Moberly, Missouri, Acquisition Fund - EquipmentShare Manufacturing, Refurbishment and Distribution Facility Project,” together with any accounts and subaccounts therein created in Section 501 of this Indenture.

“Acts” shall mean, collectively, article VI, section 27(b) of the Missouri Constitution and sections 70.210 through 70.220, inclusive, and sections 100.010 through 100.200, inclusive, of the Revised Statutes of Missouri, all as from time to time amended.

“Additional Payments” shall mean, collectively, all additional payments made (or deemed made) by the Company to the Trustee with respect to the Bonds from time to time after the initial issuance of the Bonds in accordance with Section 208 of this Indenture, the Bond Purchase Agreement, and the Lease.

“Affiliate” shall mean an individual, corporation, association, partnership, limited liability company, joint venture, trust, estate, or other entity or organization, or any other such person or entity which, (i) directly or indirectly, Controls, is in common Control of, or is Controlled by the Company or a parent of the Company or (ii) a majority of the members of the Directing Body of which are members of the Directing Body of the Company.

“Authorized City Representative” shall mean the City Manager or such other person at the time designated to act on behalf of the City as evidenced by a written certificate furnished to the Company and the Trustee containing the specimen signature of such person and signed on behalf of the City by the Mayor. Such certificate may designate an alternate or alternates each of whom shall be entitled to perform all duties of the Authorized City Representative.

“Authorized Company Representative” shall mean the person designated as of the date of this Indenture to act on behalf of the Company as evidenced by a written certificate furnished to the City and the Trustee containing the specimen signature of such person and signed on behalf of the Company by authorized officers or employees. Such certificate may designate an alternate or alternates each of whom shall be entitled to perform all duties of the Authorized Company Representative.

“**Bonds**” shall mean, collectively, the City’s Taxable Industrial Revenue Bonds (EquipmentShare.com Inc. Manufacturing, Refurbishment and Distribution Facility Project) Series 2023 of any series issued from time to time pursuant to the Indenture, and subject to the terms of this Agreement, in a maximum total aggregate principal amount of not to exceed \$55,000,000.

“**Bond Counsel**” shall mean Gilmore & Bell, P.C. or other firm of attorneys nationally recognized on the subject of municipal bonds and selected by the City.

“**Bond Fund**” shall mean the “City of Moberly, Missouri, Taxable Industrial Revenue Bond Fund - EquipmentShare.Com, Inc Manufacturing Facility Project,” together with the accounts and subaccounts therein created in Section 601 of this Indenture.

“**Bond Ordinance**” shall mean Ordinance No. _____ of the City adopted and approved by the City Council on February 21, 2023 authorizing the issuance by the City of the Bonds for the purpose of financing the Project on the Property; authorizing the City to execute and deliver this Indenture for the purpose of issuing and securing the Bonds; authorizing the City to enter into the Lease under which the City as lessor will lease the Property and the Project as renovated and completed to the Company as lessee, in consideration of rentals which will be sufficient to pay when and as due the principal of and interest on the then-current Cumulative Outstanding Principal Amount of Bonds, and authorizing the City to annually accept, but not later than December 31, 2028, completed portions of the Financed Facilities and the Financed Equipment, all as provided in the Lease and in accordance with the Acts.

“**Bondowner**” shall mean the registered owner of any Bond as recorded on the Register maintained by the Trustee on behalf of the City.

“**Bond Purchase Agreement**” shall mean the agreement dated as of the date of closing on the Bonds, by and through which the City agrees to issue and the Company agrees to purchase the Bonds.

“**Business Day**” shall mean a day that is not a Saturday, Sunday or legal holiday in the State of Missouri. All other references to “days” shall mean calendar days. If the date for performance of any covenant or obligation under this Agreement shall fall on a Saturday, Sunday or legal holiday in the State of Missouri, then the date for performance thereof shall be extended to the next Business Day.

“**City**” shall mean the City of Moberly, Missouri, a city of the third classification and municipal corporation organized and existing under the laws of the State of Missouri and having a principal office at 101 West Reed Street, Moberly, Missouri 65270, its successors and assigns.

“**City Clerk**” shall mean the duly appointed and serving Clerk of the City or designee.

“**City Council**” shall mean the duly elected and serving governing body of the City.

“**City Manager**” shall mean the duly appointed and serving City Manager of the City or designee.

“**Closing**” shall mean the closing on the conveyance by the Company to the City of the Property and the contemporaneous issuance by the City of the Bonds.

“**Closing Date**” shall have the meaning and use attributed to this term in the Bond Purchase Agreement.

“**Closing Price**” shall mean shall have the meaning and use attributed to this term in the Bond Purchase Agreement.

“**Company**” shall mean EquipmentShare.com Inc., a Delaware corporation duly authorized to do business in Missouri and having a principal office at 5710 Bull Run Drive, Columbia, Missouri 65201, together with its Affiliates, successors and assigns.

“**Control**” shall mean, with respect to any Affiliate, with respect to: (a) a corporation having stock, the ownership, directly or indirectly, of more than 50% of the securities (as defined in Section 2(1) of the Securities Act of 1933, as amended) of any class or classes, the holders of which are ordinarily, in the absence of contingencies, entitled to elect a majority of the Directing Body of such corporation; (b) a not for profit corporation not having stock, having the power to elect or appoint, directly or indirectly, at least a majority of the members of the Directing Body of such corporation; or (c) any other entity, the power to direct the management of such entity through the ownership of at least a majority of its voting securities or the right to designate or elect at least a majority of the members of its Directing Body, by contract or otherwise.

“**Costs of Issuance**” shall mean, collectively, all reasonable and customary costs of issuance of the Bonds, including, but not limited to Bond Counsel and attorneys’ fees, fees of financial consultants, Trustee and fiscal agent fees, and bond registration fees, if any.

“**Cumulative Outstanding Principal Amount**” shall mean the aggregate principal amount of all Bonds issued in accordance with the provisions of this Indenture and Outstanding, as reflected in the records maintained by the Trustee as provided in the Bonds and this Indenture.

“**Development Agreement**” shall mean the Development Agreement dated as of _____ 1, 2023 by and among the City, the Moberly Area Economic Development Corporation, and the Company respecting, among other things, the implementation of the Project.

“**Directing Body**” shall mean with respect to: (a) a corporation having stock, such corporation’s board of directors and the owners, directly or indirectly, of more than 50% of the securities (as defined in Section 2(1) of the Securities Act of 1933, as amended) of any class or classes, the holders of which are ordinarily, in the absence of contingencies, entitled to elect a majority of the corporation’s directors (both of which groups shall be considered a Directing Body); (b) a not for profit corporation not having stock, such corporation’s members if the members have complete discretion to elect the corporation’s directors, or the corporation’s

directors if the corporation's members do not have such discretion or if such corporation has no members; and (c) any other entity, its governing board or body.

“Event of Default” shall mean, with respect to this Indenture, any Event of Default as defined in Section 901 of this Indenture and, with respect to the Lease, means any Event of Default as defined in the Lease.

“Financed Equipment” shall mean collectively, the machinery, equipment, furnishings, information systems, hardware, special tools and other personal property acquired or installed or acquired for installation in the Project pursuant to the Lease and paid for in whole or in part from the Acquisition Fund, all as listed on Exhibit B, attached to and incorporated by reference in this Indenture and as amended and supplemented from time to time as provided in this Indenture, together with all replacements thereof and substitutions therefor.

“Financed Facilities” shall mean collectively, the real property improvements at the Property in connection with the Project made or to be made subsequent to the Effective Date of the Development Agreement and the Lease and paid for in whole or in part from the Acquisition Fund, all as further identified and described from time to time on Exhibit A, attached to and incorporated by reference in this Indenture.

“Government Securities” shall mean direct obligations of, or obligations the payment of principal of and interest on which are unconditionally guaranteed by, the United States of America.

“Indenture” shall mean this Trust Indenture, as from time to time amended in accordance with the provisions of Article XI of this Indenture.

“Investment Securities” shall mean any of the following securities:

- (a) Government Securities;
- (b) obligations of Fannie Mae, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Corporation, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Corporation;
- (c) direct and general obligations of any state of the United States of America, to the payment of the principal of and interest on which the full faith and credit of such state is pledged, provided that at the time of their purchase under this Indenture such obligations are rated in either of the two highest rating categories by a nationally recognized bond rating agency;
- (d) certificates of deposit, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of any state of the United States of America or any banking association or corporation (including the Trustee), provided that such certificates of deposit 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 (c), inclusive, which shall have a market value at all times at least equal to the principal amount of such certificates of deposit and shall be deposited with the Trustee or a custodian bank, trust company or national banking association. The bank, trust company or national banking association holding each such certificate of deposit required to be so secured shall furnish the Trustee written evidence satisfactory to it that the aggregate market value of all such obligations securing each such certificate of deposit will at all times be an amount at least equal to the principal amount of each such certificate of deposit and the Trustee shall be entitled to rely on each such undertaking.

(e) Shares of a fund registered under the Investment Company Act of 1940, as amended, whose shares are registered under the Securities Act of 1933, as amended, having assets of at least \$100,000,000, and which shares, at the time of purchase, are rated by Standard & Poor's and Moody's in one of the two highest rating categories (without regard to any refinements or gradation of rating category by numerical modifier or otherwise) assigned by such rating agencies for obligations of that nature.

(f) Any other investment approved in writing by all of the Bondowners of all of the Bonds then Outstanding.

(g) A cash escrow product offered by the Trustee, which may consist of trust funds, trust accounts, or interest-bearing demand or time deposits, including certificates of deposit, which are held by any commercial bank having a short term deposit rating at the time of purchase of at least A-2 or the equivalent thereof by Standard and Poor's or at least P-2 or the equivalent thereof by Moody's.

“Lease” shall mean the Lease Purchase Agreement dated of even date with this Indenture by and between the City, as lessor, and the Company, as lessee, related to the acquisition and financing of the Project, the Property, the Financed Facilities and the Financed Equipment, as from time to time amended and supplemented by Supplemental Leases in accordance with the provisions thereof, of Article XII of this Indenture, and of the Development Agreement.

“Mayor” shall mean the duly elected and serving Mayor of the City.

“Moody’s” shall mean Moody’s Investors Services, a bond and credit rating agency and subsidiary of Moody’s Corporation, having a principal office at 7 World Trade Center 250 Greenwich Street New York, NY 10007.

“Outstanding” when used with reference to Bonds, shall mean any Bond theretofore authenticated and delivered, except:

(a) any Bond theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;

(b) any Bond deemed to be paid in accordance with the provisions of Section 1302 of this Indenture; and

(c) any Bond in exchange for or in lieu of which another Bond has been authenticated and delivered pursuant to this Indenture.

“**Paying Agent**” shall mean the Trustee and any other bank or trust company designated by this Indenture as paying agent for the Bonds at which the principal of or interest on the Bonds shall be payable.

“**Project**” shall mean, collectively, the acquisition and renovation of the Property as a construction equipment refurbishment, rental, sales, service and tracking facility including, without limitation, the construction and equipping of the Financed Facilities and the installation of the Financed Equipment as and when annually accepted by the City in accordance with the Lease and this Indenture, all as necessary to facilitate the implementation of the Project which is anticipated to result in significant job creation and capital investment within the City and the region; *provided that* during the term of the Bonds, the Project shall be deemed at any time and from time to time to include only those portions of the Property, the Financed Facilities and the Financed Equipment actually conveyed to, accepted by, and then currently held by the City for a maximum period in each case of Twelve (12) years.

“**Project Costs**” shall mean all costs of acquisition, renovation, improvement, and installation of the Project, the Financed Facilities and the Financed Equipment, including the following:

- (a) all costs and expenses necessary or incident to the acquisition by the City of the Property for which the Company is responsible under the Development Agreement;
- (b) the cost of title insurance policies required by the Development Agreement and the cost of any other insurance coverages required by the Lease;
- (c) all costs and expenses necessary or incident to the construction of the portions of the Financed Facilities which the Company conveys to the City including the actual cost of labor, materials, machinery, furnishings, and equipment as payable to contractors, builders, and materialmen in connection therewith;
- (d) all costs and expenses necessary or incident to the purchasing and installing of the Financed Equipment which the Company conveys to the City;
- (e) interest accruing on the Bonds during the construction period of the Project;
- (f) reasonable expenses of administration, supervision and inspection properly allocable to the Bonds, the Financed Equipment, or the Financed Facilities and the extending and improving thereof pursuant to the Development Agreement; Costs of Issuance, legal fees and expenses, fees and expenses of accountants and other consultants, publication and printing expenses, and initial fees and expenses of the Trustee to the extent that said fees and expenses are necessary or incident to the issuance and sale of the Bonds or the purchasing,

titling, monitoring, construction, extending and improving of the Financed Equipment or the Financed Facilities and

(g) all other items of expense not elsewhere specified in this definition as may be necessary or incident to: (1) the authorization, issuance and sale of the Bonds; (2) the construction and improvement of the Financed Facilities; (3) the purchase and installation of the Financed Equipment; and (4) the financing of the foregoing in accordance with this Indenture.

“**Property**” shall mean the real property and improvements existing as of the date of the Development Agreement comprising a total of approximately Sixteen (16) acres within the corporate limits of the City and known and numbered as 1855 Robertson Road, all as more particularly described in Exhibit C, attached to and incorporated by reference in this Indenture.

“**Register**” shall mean the registration books kept by the Trustee to evidence, among other things, the ownership of the Bonds and the transfer and exchange thereof.

“**Registrar**” shall mean the Trustee when acting as such under this Indenture.

“**Supplemental Indenture**” shall mean any indenture supplemental or amendatory to this Indenture entered into by the City and the Trustee pursuant to Article XI of this Indenture.

“**Supplemental Lease**” shall mean any supplement or amendment to the Lease entered into pursuant to Article XII of this Indenture.

“**Table**” shall mean the Table of Cumulative Outstanding Principal Amount on the Bonds, as reflected in the records maintained by the Trustee as provided in the Bonds and this Indenture.

“**Trust Estate**” shall mean the Trust Estate described in the Granting Clauses of this Indenture.

“**Trustee**” shall mean BOKF, N.A., St. Louis, Missouri, a national banking association duly organized and existing under the laws of the United States, 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.

Section 102. Rules of Interpretation.

(a) 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) Wherever in this Indenture it is provided that either party shall or will make any payment or perform or refrain from performing any act or obligation, each such provision shall, even though not so expressed, be construed as an express covenant to make such payment or to perform, or not to perform, as the case may be, such act or obligation.

(c) All references in this instrument to designated “Articles,” “Sections” and other subdivisions are, unless otherwise specified, to the designated articles, sections and subdivisions of this instrument as originally executed. The words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular article, section or subdivision.

(d) The Table of Contents and the article and section headings of this Indenture shall not be treated as a part of this Indenture or as affecting the true meaning of the provisions of this Indenture.

Section 103. Computation of Time. Wherever this Indenture calls for the performance of any act by reference to a day or number of days, to a month or number of months or to a year or number of years, each such computation shall be made based upon calendar days, calendar months, and calendar years, as applicable unless otherwise expressly provided.

**ARTICLE II
THE BONDS**

Section 201. Title and Aggregate Principal Amount of Bonds. No Bonds may be issued under this Indenture except in accordance with the provisions of this Article II. The Bonds authorized to be issued under this Indenture shall be designated as “City of Moberly, Missouri Taxable Industrial Revenue Bond (EquipmentShare.com Inc. Manufacturing, Refurbishment and Distribution Facility Project) Series 2023” of applicable series. The maximum total aggregate principal amount of the Bonds that may be issued hereunder is hereby expressly limited to \$55,000,000.

Section 202. Nature of Obligations. The Bonds and the interest thereon shall be special obligations of the City payable solely out of the rents, revenues and receipts derived by the City from the Property and the Project under the Lease, and not from any other fund or source of the City and are secured by a pledge and assignment of the Trust Estate to the Trustee in favor of the Bondowners, all as provided in this Indenture. The Bonds and the interest thereon shall not constitute a general obligation of the City, the County of Randolph, or the State of Missouri or any political subdivision thereof, and neither the City, said County, nor said State shall be liable thereon, and the Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction, and are not payable in any manner by taxation.

Section 203. Denomination, Number and Dating of Bonds.

(a) The Bonds shall be issuable in the form of one fully registered Bond without coupons in denominations of \$100,000 or integral multiples of \$1.00 in excess thereof. The Bonds shall be substantially in the form hereinafter set forth in Article IV of this Indenture.

(b) The Bonds shall be dated by the Trustee as of the date of initial delivery thereof as provided in this Indenture. If the Bonds are at any time thereafter transferred, any Bonds replacing such Bonds shall be dated as of the date of authentication thereof.

Section 204. Method and Place of Payment of Bonds.

(a) The principal of and interest on the Bonds 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 payment of public and private debts or as otherwise provided in this Indenture.

(b) Payment of the principal of the Bonds shall be made upon the presentation and surrender of such Bonds at the principal payment office of any Paying Agent and the Trustee is authorized to make payments of principal on such Bonds (i) by check or draft mailed by the Trustee to the Bondowner at such Bondowner's address as such address appears on the Register; or (ii) by internal bank transfer or by wire transfer or other electronic transfer to an account at a commercial bank or savings institution located in the continental United States and designated in writing by such Bondowner to the Trustee with a copy to the City at least Five (5) Business Days prior to any principal payment date; *provided, that* so long as the Company or any entity Controlled by, under common Control with or Controlling the Company is the sole Bondowner of all Bonds then Outstanding and the lessee under the Lease, the Company may offset a portion of the Basic Rent due under the Lease against principal payments due under such Bonds and shall give the Trustee notice of such offset. If any such Bond is presented to the Trustee together with such payment, or for such payment, or upon receipt of such notice of offset, as applicable, the Trustee shall enter the amount of such principal payment on the Table of Cumulative Outstanding Principal Amount on such Bond in the manner provided by Section 402 of this Indenture and on the Register. Notwithstanding the foregoing, the Register maintained by the Trustee shall be the official record of the Cumulative Outstanding Principal Amount on any such series of Bonds at any time, and the Bondowner is not required to present such Bonds for action by the Trustee, as Registrar, with each payment of principal on such Bonds.

(c) Payment of the interest on the Bonds shall be made by the Trustee on each December 1, commencing on December 1, 2023, and continuing thereafter until the Cumulative Outstanding Principal Amount is paid in full, but in no event later than the date provided in Section 208(a) of this Indenture. Interest shall be paid either: (i) by check or draft mailed by the Trustee to the Bondowner at such Bondowner's address as such address appears on the Register; or (ii) by internal bank transfer or by wire transfer to an account at a commercial bank or savings institution located in the continental United States and designated by such Bondowner to the Trustee with a copy to the City at least Five (5) Business Days prior to any interest payment date; *provided that* so long as the Company or any entity Controlled by, under common Control with or Controlling the Company is the sole Bondowner of all Bonds then Outstanding and the lessee under the Lease, the Company may set-off the then-current Basic Rent payment against the City's obligation to the Company as Bondholder under this Indenture in lieu of delivery of the Basic Rent on any payment date, without obtaining consent of any party prior to exercising such set-off. Absent actual receipt by the Trustee of written notice to the contrary from the Company, it shall be presumed for each Basic Rent payment that such set-off has occurred on and as of the date such payment of Basic Rent is due, and the Trustee may conclusively rely on absence of such notice as evidence that such set-off has occurred. Upon such payment or occurrence of offset, as applicable, the Trustee shall record the amount of such interest payment on the Register.

Section 205. Execution and Authentication of Bonds.

(a) The Bonds shall be executed on behalf of the City by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the City Clerk and shall have the corporate seal of the City affixed thereto or imprinted thereon. In case any officer whose signature or facsimile thereof appears on the Bonds shall cease to be such officer before the delivery of the Bonds, such signature or facsimile thereof shall nevertheless be valid and sufficient for all purposes, the same as if such person had remained in office until delivery. The Bonds may be signed by such persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bonds although at the date of such Bonds such persons may not have been such officers.

(b) The Bonds shall have endorsed thereon a Certificate of Authentication substantially in the form set forth in Section 403 of this Indenture, which shall be manually executed by the Trustee. No Bonds shall be entitled to any security or benefit under this Indenture or shall be valid or obligatory for any purposes unless and until such Certificate of Authentication shall have been duly executed by the Trustee. Such executed Certificate of Authentication upon the Bonds shall be conclusive evidence that the Bonds have been duly authenticated and delivered under this Indenture. The Certificate of Authentication shall be deemed to have been duly executed if signed by any authorized officer or signatory of the Trustee.

Section 206. Registration, Transfer and Exchange of Bonds.

(a) The Trustee shall keep at the corporate trust office of the Trustee the Register for the registration and for the transfer of the Bonds as provided in this Indenture and any applicable Supplemental Indenture.

(b) The Bonds may be transferred only upon the Register upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Bondowner or such Bondowner's attorney or legal representative in such form as shall be satisfactory to the Trustee. The Bonds have not been registered under the Securities Act of 1933, as amended, or any state securities law, and the Bonds may not be transferred unless the City and the Trustee are furnished a written legal opinion from counsel acceptable to the City and the Trustee, to the effect that such transfer is exempt from the registration requirements of the Securities Act of 1933, as amended, and any applicable state securities law together with an executed representation letter signed by the proposed assignee containing substantially the same representations contained in the representation letter delivered to the Trustee from the Bondowner upon the initial issuance of the Bonds. Upon any such transfer, the City shall execute and the Trustee shall authenticate and deliver in exchange for such Bond a new fully registered Bond, registered in the name of the transferee, of any denomination or denominations authorized by this Indenture, in an aggregate principal amount equal to the Outstanding principal amount of such Bond, of the same maturity and bearing interest at the same rate.

(c) In all cases in which a Bond shall be exchanged or transferred under this Indenture, the provisions of any legend restrictions on such Bond shall be complied with and the City shall execute and the Trustee shall authenticate and deliver at the earliest practicable time a new Bond of equal tenor in accordance with the provisions of this Indenture. Each Bond surrendered in any such

exchange or transfer shall forthwith be cancelled by the Trustee. The City or the Trustee may make a reasonable charge for every such exchange or transfer sufficient to reimburse any tax, fee 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 Bond shall be delivered. Neither the City nor the Trustee shall be required to make any such exchange or transfer during the Fifteen (15) days immediately preceding an interest payment date on such Bond or, in the case of any proposed redemption of any Bond, during the Fifteen (15) days immediately preceding the selection of such Bond for redemption or after such Bond has been selected for redemption.

Section 207. Persons Deemed Owners of Bonds. As to any Bond, the person in whose name the same shall be registered as shown on the Register required by Section 206 of this Indenture shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of and interest on any such Bond shall be made only to or upon the order of the registered owner thereof or a legal representative thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

Section 208. Authorization of the Bonds.

(a) There shall be issued and secured by this Indenture a series of Bonds in the maximum aggregate principal amount of not to exceed \$55,000,000 which shall be designated “City of Moberly, Missouri Taxable Industrial Revenue Bond (EquipmentShare.com Inc. Manufacturing, Refurbishment and Distribution Facility Project) Series 2023” of applicable series for the purpose of providing funds for paying Project Costs. The Bonds shall be dated as provided in Section 203(b) of this Indenture. The Bonds and applicable portions thereof shall become due (subject to prior redemption as hereinafter provided in Article III of this Indenture) on the later of: (i) December 1, 2034; or (ii) with respect to each portion of the Bonds represented by an annual endorsement of principal, December 1 of that year which is Twelve (12) years from the year of such annual endorsement as set forth on the Table to which an Additional Payment/Principal Amount Advanced (all as provided in Section 208(e) of this Indenture) pertains, the corresponding portion of the Cumulative Outstanding Principal Amount reflected on Column D to the Table. The Bonds shall bear interest as specified in Section 208(f) of this Indenture, payable on the dates specified in Section 208(f) of this Indenture.

(b) The Trustee is hereby designated as the City’s Paying Agent for the payment of the principal of and interest on the Bonds.

(c) The Bonds shall be executed without material variance from the form and in the manner set forth in Article IV of this Indenture and delivered to the Trustee for authentication, but prior to or simultaneously with the authentication and delivery of the Bonds by the Trustee, there shall be filed with the Trustee the following:

- (1) An original or certified copy of the Bond Ordinance;
- (2) An original or certified copy of executed counterparts of this Indenture, the Lease, and the Bond Purchase Agreement;

(3) A representation letter from the purchaser of the Bonds in substantially the form attached as Exhibit D to and incorporated by reference in this Indenture and reasonably satisfactory to the City and the Trustee;

(4) A request and authorization to the Trustee on behalf of the City, executed by the Authorized City Representative, to authenticate the Bonds and deliver the same to the purchaser identified in the Bond Purchase Agreement upon payment to the Trustee, for the account of the City, of the purchase price thereof specified in the Bond Purchase Agreement. The Trustee shall be entitled to conclusively rely upon such request and authorization as to names of the purchaser and the amount of such purchase price;

(5) An opinion of Bond Counsel to the effect that the Bonds constitute a valid and legally binding limited and special revenue obligation of the City; and

(6) Such other certificates, statements, receipts and documents as the City or the Trustee shall reasonably require for the delivery of the Bonds.

(d) When the documents specified in Section 208(c) of this Indenture shall have been filed with the Trustee, and when the Bonds shall have been executed and authenticated as required by this Indenture the Company shall deliver to the Trustee the Closing Price and the Trustee shall endorse the Bonds in an amount equal to the Closing Price and shall hold the Bonds in trust for the Company.

(e) Following the initial issuance and delivery of the Bonds, the Company may submit additional requisition certificates in accordance with Section 4.4 of the Lease but not more frequently than annually on or about but not later than December 1 in any year, each of which requisition certificates shall be deemed an Additional Payment and in each such case (i) the Company shall be deemed to have paid over to the Trustee and the Trustee shall be deemed to have deposited and applied such amounts as provided in this Section 208 and in Article V of this Indenture and (ii) the Trustee shall endorse the Bonds on the Table by adding the amount of each such Additional Payment as “Principal Amount Advanced” thereon up to the maximum aggregate principal amount of not to exceed \$55,000,000. The date of endorsement of each such Additional Payment shall be the date of the City’s approval of such requisition certificate. The City and the Company further agree that, in the case of each Additional Payment, the delivery by the Company of such Additional Payment and the acceptance by the City of the portion of the Project to be acquired in connection with such Additional Payment shall be deemed to be reaffirmation as of the date of such Additional Payment by the parties of the accuracy of and their respective compliance with the representations and warranties set forth in the Bond Purchase Agreement and given as of the date of the Bond Purchase Agreement and as of the Closing Date.

(f) The Bonds shall bear interest at the rate of 5.00% per annum on the Cumulative Outstanding Principal Amount of the Bonds, and such interest shall be payable in arrears on each December 1 commencing on December 1, 2023 and continuing thereafter until the said Cumulative Outstanding Principal Amount is paid in full, but in no event later than the date provided in Section

208(a) of this Indenture. Interest shall be calculated on the basis of a year of 360 days consisting of twelve months of 30 days each.

(g) The Trustee shall keep and maintain a record of the amounts deposited or deemed to be deposited into the Acquisition Fund pursuant to the terms of this Indenture, representing the then current amount of the Bonds including all Additional Payments and other real property or personal property transferred to the City in exchange for the issuance by the City of the Bonds in accordance with this Indenture and the Lease and applicable Supplemental Lease, as “Principal Amount Issued/Advanced,” and shall enter the aggregate principal amount of the Bonds then Outstanding as the “Cumulative Outstanding Principal Amount” on the Table and on the Register. On each date upon which a portion of the Cumulative Outstanding Principal Amount is paid to Bondowners, pursuant to the redemption provisions of this Indenture, the Trustee shall enter the principal amount paid on the Bonds on the Table and on the Register as “Principal Amount Paid Pursuant to Redemption Provisions” and shall reduce by the principal amount so paid the Cumulative Outstanding Principal Amount on the Table and on the Register; *provided that*, in the event Bonds are delivered to the order of the purchaser or the Company, as applicable, pursuant to Section 208(d) of this Indenture, on each date upon which a portion of the Cumulative Outstanding Principal Amount is paid to the Bondowner pursuant to the redemption provisions of this Indenture, the Bondowner may enter the principal amount paid on the Bonds under the column headed “Principal Amount Paid Pursuant to Redemption Provisions” on the Table and may enter the then Outstanding principal amount of the Bonds under the column headed “Cumulative Outstanding Principal Amount” on the Table. However, the portions of the Register maintained by the Trustee as to principal amount issued or principal amounts paid on the Bonds shall be the official records of the Cumulative Outstanding Principal Amount for all purposes.

Section 209. No Additional Bonds. Other than the Bonds, the City shall not issue any bonds or other long-term obligations payable from the amounts due to the City under the Lease.

Section 210. Mutilated, Lost, Stolen or Destroyed Bonds. In the event any Bonds shall become mutilated, or be lost, stolen or destroyed, the City shall execute and the Trustee shall authenticate and deliver new Bond of like date and tenor as the Bonds mutilated, lost, stolen or destroyed; *provided that*, in the case of any mutilated Bonds, such mutilated Bonds shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bonds, there shall be first furnished to the City and the Trustee evidence of such loss, theft or destruction satisfactory to the City and the Trustee, together with indemnity satisfactory to them. In the event any such Bond shall have matured, instead of issuing a substitute Bond, the City may pay or authorize the payment of the same without surrender thereof. Upon the issuance of any substitute Bond, the City and the Trustee may require the payment of an amount sufficient to reimburse the City and 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 Bonds Upon Payment.

(a) All Bonds which have been paid or redeemed 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 cancelled by the Trustee immediately upon the payment, redemption or purchase of such Bonds and the surrender thereof to the Trustee.

(b) All Bonds cancelled under any of the provisions of this Indenture shall be destroyed by the Trustee. The Trustee shall execute a certificate describing the Bonds so destroyed and shall file executed counterparts of such certificate with the City and the Company.

ARTICLE III REDEMPTION OF BONDS

Section 301. Redemption Generally. The Bonds shall be subject to redemption prior to maturity in accordance with the terms and provisions set forth in this Article III.

Section 302. Redemption of Bonds. The Bonds shall be subject to redemption and payment in whole or in part, as follows:

(a) At any time prior to the stated maturity thereof, at the option of the City, upon written instructions from the Company, at a price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the date of payment; or

(b) At any time prior to the stated maturity thereof, to the extent amounts are deposited into the Bond Fund in accordance with clauses (c) through (g) of Section 602 of this Indenture, at a price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the date of payment.

Section 303. Effect of Call for Redemption. Prior to the date fixed for redemption, funds or Government Securities shall be placed with the Trustee which are sufficient to pay the Bonds or portions thereof called for redemption and accrued interest thereon, if any, to the redemption date. Upon the happening of the above conditions and appropriate written notice having been given, the Bonds or the portions of the principal amount thereof thus called for redemption shall cease to bear interest on the specified redemption date, and 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. If all of the Bonds are fully redeemed prior to maturity and an amount of money equal to the Trustee's and the Paying Agent's agreed to fees and expenses hereunder accrued and to accrue in connection with such redemption is paid or provided for, the City shall, at the Company's direction, deliver to the Company the items described in Section 11.2 of the Lease.

Section 304. Notice of Redemption. In the event the Bonds or any portions thereof are to be called for redemption as provided in Section 302 of this Indenture, the Company shall deliver written notice to the City and the Trustee of the principal amount of such Bonds that the Company has elected to redeem, such notice to be delivered at least Forty (40) days (Ten (10) days if the Company, or any entity Controlled by the Company is the Bondowner of all of the Bonds to be redeemed) prior to the scheduled redemption date. The Trustee shall then deliver written notice to the Bondowner at least Thirty (30) days (Five (5) days if the Company, or any entity Controlled by the Company is the Bondowner of all of the Bonds to be redeemed) prior to the scheduled redemption

date by first class mail stating the principal amount of such Bonds to be redeemed and the date upon which such Bonds will be redeemed and paid.

**ARTICLE IV
FORM OF BONDS**

Section 401. Generally. The Bonds and the Trustee’s Certificate of Authentication to be endorsed thereon shall be issued in substantially the forms set forth in this Article IV. The Bonds 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 requirements of law with respect thereto.

Section 402. Form of Bonds.

(FORM OF BOND)

This Bond has not been registered under the Securities Act of 1933, as amended, or any state securities laws and this Bond may not be transferred unless the City and the Trustee are furnished a written legal opinion from counsel acceptable to the City and the Trustee to the effect that such transfer is exempt from the registration requirements of the Securities Act of 1933, as amended, and any applicable state securities laws. This Bond may be transferred to any entity Controlled by the Company without the necessity of obtaining such an opinion. *Capitalized terms used and not defined in this Bond shall have the meanings ascribed to them in that certain Trust Indenture, dated as of _____ 1, 2023 between the City and the Trustee (as may be amended and supplemented from time to time in accordance with the provisions thereof, the “Indenture”).*

**UNITED STATES OF AMERICA
STATE OF MISSOURI**

**CITY OF MOBERLY, MISSOURI
TAXABLE INDUSTRIAL REVENUE BOND
(EQUIPMENTSHARE.COM INC. MANUFACTURING, REFURBISHMENT
AND DISTRIBUTION FACILITY PROJECT)
SERIES 2023**

REGISTERED OWNER: EQUIPMENTSHARE.COM INC.

PRINCIPAL AMOUNT: SEE COLUMN D, SCHEDULE 1, ATTACHED HERETO

THE CITY OF MOBERLY, MISSOURI, a city of the third classification organized and existing under the laws of the State of Missouri (the “City”), for value received, promises to pay to the order of the registered owner identified above or registered assigns, but solely from the source hereinafter referred to, on the later of: (i) December 31, 2034 (12 years following the last date for acceptance by the City of any portion of the Financed Facilities or the Financed Equipment;) or (ii) with respect to each portion of the Bonds represented by an annual endorsement of principal, December 1 of that year which is Twelve (12) years from the year of such annual endorsement as set forth on the Table to which an Additional Payment/Principal Amount Advanced (all as provided

in Section 208(e) of the Indenture) pertains, the corresponding portion of the Cumulative Outstanding Principal Amount reflected on Column D to the Table and recorded as provided in the Indenture. The City agrees to pay such principal amount to the registered owner in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts, or as otherwise provided in the Indenture, and in like manner to pay to the registered owner hereof, either by check or draft mailed to the registered owner at a stated address as it appears on the Register kept by the Trustee under the Indenture or, in certain situations authorized in the Indenture, by internal bank transfer or by wire transfer to an account in a commercial bank or savings institution located in the continental United States, interest on the Cumulative Outstanding Principal Amount (as hereinafter defined) at the rate of 5.00% per annum payable annually in arrears on each December 1 commencing on December 1, 2023, and continuing thereafter until the said Cumulative Outstanding Principal Amount is paid in full. Interest shall be computed on the basis of a year of 360 days consisting of 12 months of 30 days each. Principal on this Bond shall be payable in full on the later of: (i) December 1, 2034; or (ii) with respect to any annual endorsement of principal, December 1 of that year which is Twelve (12) years from the year of such annual endorsement as set forth on the Table to which an Additional Payment/Principal Amount Advanced pertains, as provided above.

The Trustee shall keep and maintain a record of the amounts deposited or deemed to be deposited into the Acquisition Fund pursuant to the terms of the Indenture representing the then current amount of the Bonds including all Additional Payments and other property or amounts transferred to the City in exchange for the issuance by the City of this Bond, as “Principal Amount Issued/Advanced” and shall enter the aggregate principal amount of this Bond then Outstanding as the “Cumulative Outstanding Principal Amount” on its records maintained for this Bond. On each date upon which a portion of the Cumulative Outstanding Principal Amount is paid to the registered owner thereof, pursuant to the redemption provisions of this Indenture, the Trustee shall enter on its records the principal amount paid on this Bond as “Principal Amount Paid Pursuant to Redemption Provisions,” and on its records shall reduce by the principal amount so paid the Cumulative Outstanding Principal Amount. On each date upon which a portion of the Cumulative Outstanding Principal Amount is paid to the registered owner thereof pursuant to the redemption provisions of the Indenture, the registered owner may enter the principal amount paid on this Bond under the column headed “Principal Amount Paid Pursuant to Redemption Provisions” on the Table and may enter the then-Outstanding principal amount of this Bond under the column headed “Cumulative Outstanding Principal Amount” on the Table. However, the records maintained by the Trustee as to principal amount issued or principal amounts paid on this Bond shall be the official records of the Cumulative Outstanding Principal Amount for all purposes.

THIS BOND is a duly authorized Bond of the City designated “City of Moberly, Missouri Taxable Industrial Revenue Bond (EquipmentShare.com Inc. Manufacturing, Refurbishment and Distribution Facility Project) Series 2023” of applicable series in the maximum aggregate principal amount of not to exceed \$55,000,000, to be issued for the purpose of providing funds to pay Project Costs and the Property and the Project shall be leased to the Company, under the terms of a Lease, between the City and the Company, all pursuant to the authority of and in full compliance with the provisions, restrictions and limitations and constitution and statutes of the State of Missouri, including particularly the Acts, and pursuant to proceedings duly had by the governing body of the City.

THIS BOND is issued under and is equally and ratably secured and entitled to the protection given by the Indenture. Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security for this Bond, the rights, duties and obligations of the City, the Trustee and the owners of this Bond, and the terms upon which this Bond is issued and secured.

THIS BOND shall be subject to redemption and payment in whole or in part, as follows:

(a) At any time prior to the stated maturity thereof, at the option of the City, upon instructions from the Company, at a price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the date of payment; or

(b) At any time prior to the stated maturity thereof, to the extent amounts are deposited into the Bond Fund, at a price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the date of payment.

In the event this Bond is to be called for redemption, the Company shall deliver written notice to the City and the Trustee that the Company has elected to redeem all or a portion of this Bond at least 40 days (10 days if the Company, or any entity Controlled by the Company, is the Bondowner) prior to the scheduled redemption date. The Trustee shall then deliver written notice to the owner of this Bond at least 30 days (5 days if the Company, or any entity Controlled by the Company, is the Bondowner) prior to the scheduled redemption date by first class mail stating the date upon which this Bond will be redeemed and paid.

THIS BOND, including interest thereon, is a special limited obligation of the City and is payable solely out of the rents, revenues and receipts derived by the City from the Project and the Lease and not from any other fund or source of the City, and is secured by a pledge and assignment of such rents, revenues and receipts, including all rentals and other amounts to be received by the City under and pursuant to the Lease, all as provided in the Indenture. This Bond does not constitute a general obligation of the City, of the County of Randolph, or of the State of Missouri or any political subdivision thereof, and neither the City, said County, nor said State shall be liable thereon, and this Bond shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction, and is not payable in any manner by taxation. Pursuant to the provisions of the Lease, rental payments sufficient for the prompt payment when due of the principal of and interest on this Bond are to be paid by the Company directly to the Trustee for the account of the City and deposited in a special account created by the City in the Indenture and designated the “City of Moberly, Missouri, Taxable Industrial Revenue Bond Fund – EquipmentShare Manufacturing Facility Project;” *provided that*, so long as the Company, or any entity Controlled by the Company, is the sole Bondowner of all Bonds then Outstanding and the lessee under the Lease, the Company may offset a portion of the Basic Rent due under the Lease against principal and interest payments due under the Bonds.

THE OWNER of this Bond shall have no right to enforce the provision of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with

respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of this Bond issued under the Indenture and then Outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. Modifications or alterations of this Bond or the Indenture may be made only to the extent and in the circumstances permitted by the Indenture.

THIS BOND is transferable, only as provided in the Indenture, and only upon the Register kept for that purpose at the above-mentioned office of the Trustee by the registered owner hereof in person or by such person’s duly authorized attorney, upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or such person’s duly authorized attorney, and thereupon a new fully registered Bond, without coupons, and in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The City, the Trustee and any Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

THIS BOND may be issuable in denominations authorized under the Indenture.

THIS BOND shall not be valid or become obligatory for any purposes or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have 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 the Indenture and the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the constitution and laws of the State of Missouri.

IN WITNESS WHEREOF, City of Moberly, Missouri, has caused this Bond to be executed in its name by the manual or facsimile signature of its Mayor, attested by the manual or facsimile signature of its City Clerk and its corporate seal to be affixed hereto or imprinted hereon, and has caused this Bond to be dated as of _____ 1, 2023.

CITY OF MOBERLY, MISSOURI

By: _____
Mayor

(SEAL)
ATTEST:

By: _____
City Clerk

**SCHEDULE 1
TABLE OF CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT**

A	B	C	D	E
Endorsement Date	Principal Amount Issued/Advanced	Principal Amount Paid Pursuant to Redemption Provisions	Cumulative Outstanding Principal Amount	Notation Made By
_____ 1, 2023	\$ _____		\$ _____	
_____, 2024	\$ _____	\$ _____	\$ _____	
_____, 2025	\$ _____	\$ _____	\$ _____	
_____, 2026	\$ _____	\$ _____	\$ _____	

(FORM OF ASSIGNMENT)
(NOTE RESTRICTIONS ON TRANSFERS)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

Print or Typewrite Name, Address and Social Security or
other Taxpayer Identification Number of Transferee

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept by the Trustee for the registration and transfer of Bonds, 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 Bond in every particular.

Signature Guaranteed By:

(Name of Eligible Guarantor Institution as defined by SEC Rule 17 Ad-15 (17 CFR 240.17 Ad-15) or such other similar rule as the Trustee may deem applicable)

By: _____
Title: _____

Section 403. Form of Certificate of Authentication.

(FORM OF TRUSTEE’S CERTIFICATE OF AUTHENTICATION)

CERTIFICATE OF AUTHENTICATION

This Bond is the City of Moberly, Missouri Taxable Industrial Revenue Bond (EquipmentShare.com Inc. Manufacturing, Refurbishment and Distribution Facility Project) Series 2022, described in the Indenture. The effective date of registration of this Bond is set forth below.

BOKF, N.A., as Trustee

_____ By _____
 Date Name: _____
 Authorized Officer

**ARTICLE V
 CUSTODY AND APPLICATION OF BOND PROCEEDS**

Section 501. Creation of the Acquisition Fund. There is hereby created and ordered to be established in the custody of the Trustee a special trust fund in the name of the City to be designated the “City of Moberly, Missouri, Acquisition Fund - EquipmentShare Manufacturing Facility Project,” (the “**Acquisition Fund**”).

Section 502. Deposits into the Acquisition Fund. The proceeds of the sale of the Bonds (whether actually paid or deemed to be paid pursuant to Section 208(d) of this Indenture) together with such additional payments as provided for in the Bond Purchase Agreement, when received, excluding such amounts required to be paid into the Bond Fund pursuant to Section 602 of this Indenture, shall be deposited by the Trustee into the Acquisition Fund. Any money received by the Trustee from any other source for the purpose of acquisition, construction, extension or improvement of improvements to the Project or for other projects authorized hereunder shall also be deposited into the Acquisition Fund.

Section 503. Disbursements from the Acquisition Fund.

(a) The amounts in the Acquisition Fund shall be disbursed by the Trustee for the payment of, or reimbursement to the Company for payment of Project Costs upon receipt of requisition certificates signed by the Company and approved in writing by the Authorized City Representative in accordance with the provisions of Article IV of the Lease, and the Trustee hereby covenants and agrees to disburse such moneys in accordance with such provisions. In paying any requisition certificate under this Section 503, the Trustee may rely as to the completeness and accuracy of all statements in such requisition certificate if such requisition certificate is signed by

the Authorized City Representative. The Trustee shall not be required to make any inspections of the Project, the Property, the Financed Facilities or the Financed Equipment or otherwise supervise the progress or completion thereof. The execution of each requisition certificate by the Authorized City Representative shall constitute unto the Trustee an irrevocable determination that the conditions precedent to payment of the specified amounts from the applicable account within the Acquisition Fund have occurred.

(b) If, pursuant to Sections 208(d) or 208(e) of this Indenture, the Trustee is deemed to have deposited into the Acquisition Fund the Closing Price or an Additional Payment as specified in a requisition certificate submitted by the Company, the Trustee, upon endorsement of the Bonds in such amount, shall be deemed to have disbursed such amount from the Acquisition Fund to the Company as the full payment of the applicable Project Costs as specified in and in accordance with such requisition certificate.

(c) The City hereby authorizes and directs the Trustee to make disbursements in the manner and as provided for by the aforesaid provisions of the Lease.

(d) The Trustee shall keep and maintain adequate records pertaining to the Acquisition Fund and all disbursements therefrom and shall provide a statement of receipts and disbursements with respect thereto to the City on a quarterly basis. After a certificate of payment of all Project Costs has been filed as provided in Section 504 of this Indenture, the Trustee, to the extent it has not already done so pursuant to this Section 504 or Section 1012 of this Indenture, shall file a final statement of receipts and disbursements with respect thereto with the City and the Company.

Section 504. Completion of the Project. The completion of the Project and the payment of all Project Costs and expenses incident thereto shall be evidenced by the filing with the Trustee and the City of the certificate required by the provisions of Section 4.5 of the Lease. As soon as practicable after the filing of such certificate any balance remaining in the Acquisition Fund shall without further authorization be deposited in the Bond Fund.

Section 505. Disposition Upon Acceleration. If the principal of the Bonds shall have become due and payable pursuant to Section 902 of this Indenture, upon the date of payment by the Trustee of any moneys due as hereinafter provided in Article IX of this Indenture, any balance remaining in the Acquisition Fund shall without further authorization be deposited in the Bond Fund by the Trustee with notice to the City and to the Company of such action.

**ARTICLE VI
REVENUES AND FUNDS**

Section 601. Creation of the Bond Fund. There is hereby created and ordered established in the custody of the Trustee a special trust fund in the name of the City to be designated the “City of Moberly, Missouri, Bond Fund – EquipmentShare Manufacturing Facility Project,” (the “**Bond Fund**”).

Section 602. Deposits Into the Bond Fund. The Trustee shall deposit into the Bond Fund, as and when received, (a) all accrued interest on the Bonds, if any, paid by the purchaser of such

Bonds; (b) all rent payments payable by the Company to the City specified in Section 5.1 of the Lease and amounts due under Section 5.2 of the Lease for deposit in the Bond Fund; (c) any amount in the Acquisition Fund to be transferred to the Bond Fund pursuant to Section 504 of this Indenture upon payment of all Project Costs; (d) the balance of any Net Proceeds (as defined in the Lease) of condemnation awards or insurance received by the Trustee pursuant to Article IX of the Lease; (e) the amounts to be deposited in the Bond Fund pursuant to Section 9.1 and Section 9.2 of the Lease; (f) all interest and other income derived from investments of Bond Fund moneys as provided in Section 702 of this Indenture; and (g) all other moneys received by the Trustee under and pursuant to any of the provisions of the Lease when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Bond Fund.

Section 603. Application of Moneys in the Bond Fund.

(a) Except as provided in Section 606 and Section 908 of this Indenture or in paragraph 4.6(a) of the Lease, moneys in the Bond Fund shall be expended solely for the payment of the principal of and the interest on the Bonds on a parity basis as the same matures and becomes due or upon the redemption thereof prior to maturity; *provided, however*, that any amounts received by the Trustee as Additional Rent under Section 5.2 of the Lease and deposited to the Bond Fund as provided in Section 602 of this Indenture, shall be expended by the Trustee for such items of Additional Rent as they are received or due without further authorization from the City.

(b) The City hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay the principal of and the interest on the Bonds as the same becomes due and payable and to make said funds so withdrawn available to the Paying Agent for the purpose of paying said principal and interest.

(c) Whenever the amount in the Bond Fund from any source whatsoever is sufficient to redeem all of the Bonds Outstanding and to pay interest to accrue thereon prior to such redemption, the City covenants and agrees, upon request of the Company, to take and cause to be taken the necessary steps to redeem all such Bonds on the next succeeding redemption date for which the required redemption notice may be given or on such later redemption date as may be specified by the Company. The Trustee may use any moneys in the Bond Fund to redeem a part of the Bonds Outstanding in accordance with and to the extent permitted by Article III of this Indenture so long as the Company 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 Bonds theretofore matured or called for redemption and past due interest, if any, in all cases when such Bonds have not been presented for payment.

Section 604. Payments Due on Saturdays, Sundays and Holidays. In any case where the date of maturity of principal of or interest, if any, on the Bonds or the date fixed for redemption of any Bonds shall be a Saturday, a Sunday or a legal holiday or a day on which banking institutions in the city of payment are authorized by law to close, then payment of principal or interest, if any, 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 on the date of maturity or the date fixed for redemption, and no interest, if any, shall continue to accrue for the period after such date.

Section 605. Nonpresentment of Bonds. In the event any Bonds shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if funds sufficient to pay such Bonds shall have been made available to the Trustee, all liability of the City to the Bondowner thereof for the payment of such Bonds shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, without liability for interest thereon, for the benefit of the Bondowner of such Bonds who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his part under this Indenture or on, or with respect to, said Bonds. If any Bonds shall not be presented for payment within One (1) year following the date when such Bonds become due, whether by maturity or otherwise, the Trustee shall repay to the Company the funds theretofore held by the Trustee for payment of such Bonds, and such Bonds shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Company, and the Bondowner thereof shall be entitled to look only to the Company for payment, and then only to the extent of the amount so repaid, and the Company shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 606. Repayment to the Company from the Bond Fund. After payment in full of the principal of and interest, if any, on all Bonds (or provision has been made for the payment thereof) as provided in this Indenture, and of the fees, charges and expenses of the Trustee, the City and any Paying Agent and of any other amounts required to be paid under this Indenture and the Lease (including, without limitation, any amounts payable under the Development Agreement), all amounts remaining in the Bond Fund shall be paid to the Company upon the expiration or sooner termination of the Lease.

**ARTICLE VII
SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS**

Section 701. Moneys to be Held in Trust. All moneys deposited with or paid to the Trustee for account of the Bond Fund or the Acquisition 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, the Lease and the Development Agreement, as applicable, and, until used or applied as herein 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 or any moneys received hereunder except such as may be agreed upon.

Section 702. Investment of Moneys in Acquisition Fund and Bond Fund. Moneys held in the Acquisition Fund and the Bond Fund shall, pursuant to written direction of the City, signed by the Authorized City Representative, be separately invested and reinvested by the Trustee in Investment Securities which mature or are subject to redemption by the owner prior to the date such funds will be needed. In the event the City fails to provide written directions concerning investment of moneys held in the Acquisition Fund and the Bond Fund, the Trustee may invest in such Investment Securities specified in paragraph (e) of the definition of Investment Securities, provided they mature or are subject to redemption prior to the date such funds will be needed. Any such Investment Securities shall be held by or under the control of the Trustee and shall be deemed at all times a part of the fund in which such moneys are originally held, and the interest accruing thereon

and any profit realized from such Investment Securities shall be credited to such fund, and any loss resulting from such Investment Securities shall be charged to such fund. After the Trustee has notice pursuant to Section 1001(h) of this Indenture of the existence of an Event of Default, the Trustee shall direct the investment of moneys in the Bond Fund and the Acquisition Fund. The Trustee shall sell and reduce to cash a sufficient amount of such Investment Securities whenever the cash balance in any fund is insufficient for the purposes of such fund. In determining the balance in any fund, investments in such fund shall be valued at the lower of their original cost or their fair market value as of the most recent payment date. The Trustee may make any and all investments permitted by the provisions of this Section 702 through its own bond department or any affiliate or short-term investment department.

Section 703. Record Keeping. The Trustee shall maintain records designed to show compliance with the provisions of this Article VII and with the provisions of Article VI of this Indenture for at least Six (6) years after the payment of all of the Outstanding Bonds.

ARTICLE VIII GENERAL COVENANTS AND PROVISIONS

Section 801. Payment of Principal and Interest. The City covenants and agrees that the City will, but solely from the rents, revenues and receipts derived from the Property, the Project, and the Lease as described herein, deposit or cause to be deposited in the Bond Fund sufficient sums payable under the Lease promptly to meet and pay the principal of and the interest on the Bonds as they become due and payable at the place, on the dates and in the manner provided in this Section 801 and in the Bonds according to the true intent and meaning thereof. Notwithstanding anything elsewhere to the contrary in this Indenture or in the Bonds, amounts of Basic Rent required to be deposited in the Bond Fund shall consist of: (A) payments of accrued interest only on amounts listed from time to time as “Cumulative Outstanding Principal Amount” on Schedule 1, Table of Cumulative Outstanding Principal Amount to the Bonds until the earlier of (i) maturity of the Bonds or (ii) redemption of the Bonds in whole, but not in part; and (B) payments of principal on the Bonds upon maturity, or upon redemption of the Bonds, whether in whole or in part. Such payments by the City of principal and interest may be made by credit as contemplated in Section 1302(d) of this Indenture. Nothing herein shall be construed as requiring or authorizing the City to operate the Project, the Property or any portion thereof as a business other than as lessor or to use any funds or revenues from any source other than funds and revenues derived from the Property, the Project and the Lease.

Section 802. Authority to Execute Indenture and Issue Bonds. The City covenants that it is duly authorized under the constitution and laws of the State of Missouri to execute this Indenture, to issue the Bonds and to pledge and assign the Trust Estate in the manner and to the extent herein set forth; that all action on its part for the execution and delivery of this Indenture and the issuance of the Bonds has been duly and effectively taken; that the Bonds in the hands of the Bondowners thereof are and will be a valid and enforceable obligation of the City according to the import thereof.

Section 803. Performance of Covenants. The City covenants that the City will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in the Bonds and in all proceedings of the City Council pertaining thereto. The

Trustee may take such action as the Trustee deems appropriate to enforce all such covenants, undertakings, stipulations and provisions of the City hereunder.

Section 804. Instruments of Further Assurance. The City covenants that the City will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such Supplemental Indentures and such further acts, instruments, financing statements and other documents as the Trustee may reasonably require for the better pledging and assigning unto the Trustee the revenues herein described to the payment of the principal of and interest, if any, on the Bonds. The City covenants and agrees that, except as in this Indenture and in the Lease provided, the City will not sell, convey, mortgage, encumber or otherwise dispose of any part of the Property or the Project or the rents, revenues and receipts derived therefrom or from the Lease, or of the City's rights under the Lease.

Section 805. Recordings and Filings. Upon request of the purchaser or purchasers of the Bonds or the Trustee, the City will cooperate in causing this Indenture and all Supplemental Indentures, the Lease and all Supplemental Leases and all appropriate financing and continuation statements and other security instruments to be recorded and filed in such manner and in such places as may be required by law in order to fully preserve and protect the security of the Bondowners and the rights of the Trustee hereunder.

Section 806. Inspection of Books. The City covenants and agrees that all books and documents in its possession relating to the Project and the rents, revenues and receipts derived from the Project shall at all times be open to inspection by such accountants or other agencies as the Trustee may from time to time designate.

Section 807. Enforcement of Rights Under the Lease. The City covenants and agrees that the City shall enforce all of the City's rights and all of the obligations of the Company (at the expense of the Company) under the Lease to the extent necessary to preserve the Property, the Project, the Financed Facilities and the Financed Equipment in good repair and reasonably safe operating condition, and to protect the rights of the Trustee and the Bondowners with respect to the pledge and assignment of the rents, revenues and receipts coming due under the Lease; *provided that*, the City and the Trustee, as its assignee, shall not enforce any such right or obligation (except for the rights of the City or the Trustee to receive payments owing to either of them for their own account under this Indenture or any Supplemental Indenture, the Lease, the Development Agreement or any other agreement related to the Bonds or for their rights of indemnification or to be protected from liabilities by insurance policies, payment bonds or similar security required by the Lease or by the Development Agreement) unless and until directed to do so in writing by the Bondowners of 100% of the Outstanding Bonds. The City agrees that the Trustee, as assignee of the rentals and other amounts to be received by the City and paid by the Company under the Lease, or in the Company's name or in the name of the City, may enforce all rights of the City to receive such rentals and other amounts and all obligations of the Company to pay such rentals and other amounts under and pursuant to the Lease for and on behalf of the Bondowner, whether or not the City is in default hereunder. So long as not otherwise provided in this Indenture, the Company shall be permitted to possess, use and enjoy the Property, the Project, the Financed Facilities and the Financed Equipment and appurtenances thereto so as to carry out the Company's obligations under the Lease; *provided*

that the option to purchase the Property and the Project granted to the Company in Article IX of the Lease shall be and remain superior to this Indenture.

ARTICLE IX DEFAULT AND REMEDIES

Section 901. Events of Default; Notice; Opportunity to Cure. If any of the following events occur, it is hereby defined as and declared to be and to constitute an “Event of Default”:

- (a) Default in the due and punctual payment of the principal on any Bond, whether at the stated maturity or accelerated maturity thereof, or at the date fixed for redemption thereof;
- (b) Default in the due and punctual payment of the interest on any Bond, whether at the stated maturity or accelerated maturity thereof, or at the date fixed for redemption thereof;
- (c) An Event of Default as defined in the Lease shall have occurred; or
- (d) Any uncured default by the Company in the performance of the Company’s obligations under the Development Agreement which arises out of: (i) the City’s right to receive any payment for the City’s own account under the Development Agreement; or (ii) the City’s rights to indemnification or to be protected from liabilities by insurance coverages, payment bonds or similar security required by the Development Agreement or the Lease; or (iii) the Company’s failure to obtain or maintain or cause to be obtained and maintained insurance coverages, payment bonds or similar security required by the Development Agreement or the Lease.

Anything herein to the contrary notwithstanding, no default specified above shall constitute an Event of Default until actual notice of such default by registered or certified mail shall be given by the City, the Trustee or by the Bondowners of 25% in aggregate principal amount of the Bonds Outstanding to the Company and the Company shall have had Thirty (30) days after receipt of such notice to correct said default or cause said default to be corrected, and shall not have corrected said default or caused said default to be corrected within such period; *provided, however*, if any such default (other than a default in the payment of any money) shall be such that it cannot be corrected within such period, it shall not constitute an Event of Default if corrective action is instituted by the Company within such period and diligently pursued until the default is corrected. In addition, anything herein to the contrary notwithstanding, to the extent the Company makes an applicable payment of Additional Rents pursuant to the Lease, and the City or Trustee fails to use the funds from such payment to make the corresponding payment under the Lease no Event of Default shall have occurred under this Indenture.

Section 902. Acceleration of Maturity in Event of Default. If an Event of Default shall have occurred and be continuing, the Trustee may, and upon the written request of the Bondowners of not less than 25% in aggregate principal amount of the Bonds then Outstanding, or upon the written request of the City in the case of an Event of Default set forth in Section 901(d) of this

Indenture, shall, by notice in writing delivered to the Company, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable.

Section 903. Surrender of Possession of Trust Estate; Rights and Duties of Trustee in Possession. If an Event of Default shall have occurred and be continuing, the City, upon 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 all or any part of the Trust Estate, together with the books, papers and accounts of the City pertaining thereto, and including the rights and the position of the City under the Lease, and to hold, operate and manage the same, and from time to time make all needful repairs and improvements; the Trustee may lease the Project, the Property, the Financed Facilities and the Financed Equipment or any part thereof, in the name and for account of the City, and collect, receive and sequester the rents, 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 (a) reasonable compensation to the Trustee, the Trustee's agents and counsel, (b) any reasonable charges of the Trustee hereunder, (c) any taxes and assessments and other charges prior to the lien of this Indenture, (d) all expenses of such repairs and improvements, and (e) any amounts payable under the Development Agreement (except for the rights of the City to receive payments owing to the City for its own account under the Lease, the Development Agreement or any other agreement related to the Bonds or for the City's rights of indemnification or to be protected from liabilities by insurance policies, payment bonds or similar security required by the Lease or by the Development Agreement), and the Trustee shall apply the remainder of the moneys so received in accordance with the provisions of Section 908 of this Indenture. Whenever all that is due upon the Bonds shall have been paid and all defaults made good, the Trustee shall surrender possession of the Trust Estate to the City, its successors or assigns, the same right of entry, however, to exist upon any subsequent Event of Default. While in possession of such property, the Trustee shall render annually to the City and the Company a summarized statement of receipts and expenditures in connection therewith.

Section 904. Appointment of Receivers in Event of Default. If an Event of Default shall have occurred and be continuing, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondowners 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 905. Exercise of Remedies by the Trustee.

(a) Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce the payment of the principal of and interest on the Bonds then Outstanding, and to enforce and compel the performance of the duties and obligations of the City or the Company as set forth in this Indenture, the Lease or the Development Agreement, respectively.

(b) If an Event of Default arising under Sections 901(a), (b) or (c) of this Indenture shall have occurred and be continuing, and if requested to do so by the owners of 25% in aggregate principal amount of Bonds then Outstanding and indemnified as provided in Section 1001(l) of this Indenture, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Article IX as the Trustee, being advised by counsel, shall deem most expedient and in the interests of the Bondowner.

(c) All rights of action under this Indenture or under any of the Bonds (other than the City's rights of indemnification or to be protected from liabilities by insurance policies, payment bonds and similar security required by the Lease or by the Development Agreement) may be enforced by the Trustee without the possession of such Bonds 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 the name of the Trustee without necessity of joining as plaintiffs or defendants any Bondowner, and any recovery of judgment shall be, subject to the provisions of Section 908 of this Indenture and the provisions of the Development Agreement and the rights of the City thereunder, for the equal benefit of all the Bondowners of the Outstanding Bonds.

Section 906. Limitation on Exercise of Remedies by Bondowners. No Bondowner 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 (i) a default arising under Sections 901(a), (b) or (c) of this Indenture has occurred of which the Trustee has been notified as provided in Section 1001(h) of this Indenture or of which by said Section 1001(h) the Trustee is deemed to have notice, (ii) such default shall have become an Event of Default, (iii) the Bondowners of 25% in aggregate principal amount of the Bonds then Outstanding shall have made written request to the Trustee, shall have offered the Trustee reasonable opportunity either to proceed and to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, and shall have offered to the Trustee indemnity as provided in subsection (l) of Section 1001 of this Indenture, and (iv) the Trustee shall thereafter fail or refuse to exercise the powers herein granted or to institute such action, suit or proceeding in its own name; such notification, request and offer of indemnity are hereby declared in every case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder, it being understood and intended that no one or more Bondowners shall have any right in any manner whatsoever to affect, disturb or prejudice this Indenture by their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Bondowners of the Bonds then Outstanding. Nothing in this Indenture contained shall, however, affect or impair the right of any Bondowner to payment of the principal of and interest on any Bonds at and after the maturity thereof or the obligation of the City to pay the principal of and interest on such Bonds issued hereunder to the respective Bondowners thereof at the time, place, from the source and in the manner herein and in such Bonds expressed.

Section 907. Right of Bondowners to Direct Proceedings.

(a) Anything in this Indenture to the contrary notwithstanding, the Bondowners of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, at any time, 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 of this Indenture; and *provided further* that the Trustee shall have the right to decline to follow any such direction if the Trustee shall in good faith determine that the proceedings so directed would involve the Trustee in personal liability; and *provided further* that nothing in this Section 907 shall affect any City right under the Development Agreement.

(b) Notwithstanding any provision in this Indenture to the contrary, the Bondowners shall not have the right to control or direct any remedies hereunder if an Event of Default has occurred or is occurring pursuant to paragraph 12.1(e) of the Lease or in the event the City or the Trustee are enforcing rights (a) to collect moneys for their own account as required by the Lease or by the Development Agreement, or (b) to indemnification or to be protected from liabilities by insurance policies or payment bonds as required by the Lease or by the Development Agreement.

Section 908. Application of Moneys in Event of Default.

(a) All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article IX shall, after payment of the cost 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) or to be paid to the City under the Development Agreement or to the Trustee pursuant to Section 903 of this Indenture, be deposited in the Bond Fund and all moneys so deposited in the Bond Fund shall be applied as follows:

(1) Unless all of the principal of all of the Bonds 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 interest, if any, then due and payable on the Bonds, in the order in which such installments of interest 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 installment, to the persons entitled thereto, without any discrimination or privilege;

SECOND -- To the payment to the persons entitled thereof of the unpaid principal of the Bonds which shall have become due and payable (other than portions of the Bonds called for redemption 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 the Bonds due on any particular date, together with such interest, then to the payment, ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(2) If all of the principal of the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest, if any, then due and unpaid on all of the Bonds, without preference or priority of principal over interest or of interest over principal or of any installment of interest over any other installment of interest or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the person entitled thereto, without any discrimination or privilege.

(3) If all of the principal of the Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of Section 910 of this Indenture, then, subject to the provisions of subsection (2) of this Section 908 in the event that all of the principal of the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of subsection (1) of this Section 908.

(b) Whenever moneys are to be applied pursuant to the provisions of this Section 908, 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, the Trustee shall fix the date (which shall be an interest 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 dates shall cease to accrue.

(c) Whenever all of the Bonds and interest thereon, if any, have been paid in full under the provisions of this Section 908, and all fees, expenses and charges of the City and the Trustee have been paid in full (including any amounts payable under the Development Agreement), any balance remaining in the Bond Fund shall be paid to the Company as provided in Section 606 of this Indenture.

Section 909. Remedies Cumulative. No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or to the Bondowners 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 to the Bondowners 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 shall impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein; every such right, power or remedy may be exercised from time to time and as often as may be deemed expedient. In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver, by entry, or otherwise, and such proceedings have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the City, the Company, the Trustee and the Bondowners shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 910. Waivers of Events of Default. The Trustee may in its discretion waive any Event of Default hereunder and its consequences and rescind any declaration of maturity of principal of and interest, if any, on the Bonds, and shall do so upon the written request of the Bondowners of

at least 50% in aggregate principal amount of all of the Bonds then Outstanding (except for any Event of Default hereunder as a result of any Event of Default under paragraph 12.1(e) of the Lease or arising under Section 901(d) of this Indenture, which Events of Default may only be waived by the City); *provided, however*, that there shall not be waived without the consent of all the Bondowners of all of the Bonds then Outstanding (a) any Event of Default in the payment of the principal of any Outstanding Bonds when due (whether at the date of maturity or redemption specified therein), or (b) any Event of Default in the payment when due of the interest on any such Bonds, unless prior to such waiver or rescission, all arrears of interest, or all arrears of payments of principal when due, as the case may be, and all reasonable expenses of the Trustee (including attorneys fees and expenses), in connection with such default, shall have been paid or provided for. In case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such default shall have been discontinued or abandoned or determined adversely, then and in every such case the City, the Company, the Trustee and the Bondowners 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 default or impair any right consequent thereon.

**ARTICLE X
THE TRUSTEE**

Section 1001. Acceptance of the Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, 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 and after the curing of all Events of Default 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 shall have occurred and be continuing, subject to Section 1001(l) of this Indenture, the Trustee shall exercise such of the rights and powers vested in the Trustee by this Indenture and shall use the same degree of care and skill in their exercise, as a prudent corporate trust department would exercise or use under the circumstances in the conduct of the Trustee's own affairs.

(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 and shall not be responsible for any misconduct or negligence on the part of any agent, attorney or receiver appointed or chosen by the Trustee with due care, and the Trustee shall be entitled to act upon the opinion or advice of counsel, who may be counsel to the City or to the Company, 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 or nonaction by the Trustee taken or omitted to be taken in good faith in reliance upon such opinion or advice of counsel addressed to the City and the Trustee.

(c) Except as provided in the Lease and particularly Section 10.8 thereof, the Trustee shall not be responsible for any recital herein or in the Bonds (except with respect to

the Certificate of Authentication of the Trustee endorsed on such Bonds), or for the recording or rerecording, filing or refiling of this Indenture or for insuring the Property, the Project, the Financed Facilities or the Financed Equipment or for 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 of the Bonds. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by the Trustee in accordance with Article VII of this Indenture.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated and delivered under this Indenture. The Trustee, in its individual or any other capacity, may become the owner or pledgee of such Bonds with the same rights which the Trustee 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 provided for under this Indenture 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 authority or consent of any person who, at the time of making such request or giving such authority or consent is a Bondowner of any Bond, shall be conclusive and binding upon all future Bondowners of the same Bond including those issued in exchange therefor or upon transfer or in place 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 the Authorized City Representative or an Authorized Company 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 paragraph 1001(h) of this Indenture or of which by said paragraph the Trustee is deemed to have notice, the Trustee shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at the Trustee's 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 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, unless the Trustee shall be specifically notified in writing of such default by the City or by the Bondowners of at least 25% in aggregate principal amount of all of the Bonds then Outstanding.

(i) At any and all reasonable times and subject to the Company's reasonable and standard security procedures, the Trustee and the Trustee's duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right, but shall not be required, to inspect any and all of the Property, the Project, the Financed Facilities or the Financed Equipment and all books, papers and records of the City pertaining to the Property, the Project, the Financed Facilities, the Financed Equipment and the Bonds, and to take such memoranda from and in regard thereto as may be desired. The Trustee shall treat all proprietary information of the Company as confidential.

(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 in respect of the Property, the Project, the Financed Facilities or the Financed Equipment.

(k) The Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bond, 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 of the City to the authentication of any Bond, the withdrawal of any cash, or the taking of any other action by the Trustee.

(l) Before taking any action under this Indenture other than the payments from moneys on deposit in the Acquisition Fund or the Bond Fund, as provided in this Indenture, the Trustee may require that satisfactory indemnity be furnished to the Trustee for the reimbursement of all costs and expenses to which the Trustee may be put and to protect the Trustee against all liability which the Trustee may incur in or by reason of such action, except liability which is adjudicated to have resulted from the Trustee's negligence or willful misconduct by reason of any action so taken.

(m) Notwithstanding any other provision of this Indenture to the contrary, any provision intended to provide to the Trustee authority to act, right to payment of fees and expenses, or protection, immunity and indemnification shall include any action of the Trustee whether deemed to be in the capacity of trustee, Paying Agent, or Registrar.

(n) In executing or accepting additional trusts created by any Supplemental Indenture or Supplemental Lease or modifications thereby of the trusts created under this Indenture, the Trustee shall be entitled to receive, and shall be fully protected in relying upon, an opinion of counsel stating that the execution of such Supplemental Indenture or Supplemental Lease is authorized and permitted by this Indenture and that all conditions precedent have been complied with by the City and the Company.

Section 1002. Fees, Charges and Expenses of the Trustee. The Trustee shall be entitled to payment of and/or reimbursement for reasonable fees for the Trustee's ordinary services rendered under this Indenture and all advances, agent and counsel fees and other ordinary expenses reasonably made or incurred by the Trustee in connection with such ordinary services and, in the event that it should become necessary that the Trustee perform extraordinary services, the Trustee shall be

entitled to reasonable compensation therefor and to reimbursement for reasonable expenses in connection therewith; *provided that* if such extraordinary services or expenses are occasioned by the neglect or willful misconduct of the Trustee, the Trustee 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 Bonds. Pursuant to the provisions of Section 5.2 of the Lease, the Company has agreed to pay to the Trustee all reasonable fees, charges and expenses of the Trustee under this Indenture. The Trustee agrees that the City shall have no liability for any fees, charges and expenses of the Trustee, and the Trustee agrees to look only to the Company for the payment of all reasonable fees, charges and expenses of the Trustee and any Paying Agent as provided in the Lease. Upon the occurrence of an Event of Default and during its continuance, the Trustee shall have a lien with right of payment prior to any payment on account of principal of or interest on the Bonds, upon all moneys in its possession under any provisions hereof for the foregoing reasonable advances, fees, costs and expenses incurred.

Section 1003. Notice to Bondowners if Default Occurs. If a default occurs of which the Trustee is by Section 1001(h) of this Indenture required to take notice or if notice of default be given as in said Section 1001(h) provided, then the Trustee shall give written notice thereof to the last known Bondowners of all Bonds then Outstanding as shown by the Register required by Section 206 of this Indenture to be kept at the corporate trust office of the Trustee.

Section 1004. Intervention by the Trustee. In any judicial proceeding to which the City is a party and which, in the opinion of the Trustee and the Trustee’s counsel, has a substantial bearing on the interests of Bondowners of the Bonds (other than for the rights of the City to receive payments owing to the City for its own account under the Lease, the Development Agreement or any other agreement related to the Bonds or for the City’s rights of indemnification or to be protected from liabilities by insurance policies, payment bonds or similar security required by the Lease or by the Development Agreement), the Trustee may intervene on behalf of Bondowners and, subject to the provisions of Section 1001(l) of this Indenture, shall do so if requested in writing by the Bondowners of at least 25% of the aggregate principal amount of the Bonds then Outstanding.

Section 1005. Successor Trustee Upon Merger, Consolidation or Sale. With the prior written consent of the City and the Company, any corporation or association into which the Trustee may be merged or converted or with or into which the Trustee may be consolidated, or to which the Trustee 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 the Trustee 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 1006. Resignation of Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving Thirty (30) days’ written notice to the City, the Company and the Bondowners, and such resignation shall take effect at the end of such 30 days, or upon the earlier appointment of a successor Trustee by the City. The Trustee shall resign at any time the Trustee determines that the Trustee has a conflict of interest (as defined in the Trust Indenture Act of 1939), and shall, within Ninety (90) days after ascertaining that the Trustee has a conflict of

interest, or within Thirty (30) days after receiving written notice from the City or the Company (so long as the Company is not in default under the Lease) that the Trustee has a conflict of interest, either eliminate such conflicting interest or resign in the manner and with the effect specified in this Indenture.

Section 1007. Removal of Trustee. The Trustee may be removed at any time, with or without cause, by an instrument or concurrent instruments in writing (a) delivered to the Trustee, the City and the Company and signed by the Bondowners of a majority in aggregate principal amount of the Bonds then Outstanding, or (b) so long as no Event of Default under this Indenture (including, without limitation, such Event of Default under Section 901(d) of this Indenture) or the Lease shall have occurred and be continuing, delivered to the Trustee, the City and the Bondowners of the Bonds and signed by the Company.

Section 1008. Appointment of Successor Trustee. In case the Trustee shall resign or be removed, or shall otherwise become incapable of acting hereunder, or in case the Trustee shall be taken under the control of any public officer or officers or of a receiver appointed by a court, a successor Trustee (a) may be appointed by the City, or (b) reasonably acceptable to the City may be appointed by the Bondowners of a majority in aggregate principal amount of the Bonds then Outstanding, by an instrument or concurrent instruments in writing; *provided, nevertheless*, that in case of such vacancy, the City, by an instrument executed and signed by the Mayor and attested by the City Clerk under the City's seal, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed in the manner above provided. Any such temporary Trustee so appointed by the City shall hold such appointment no longer than Ninety (90) days and shall immediately and without further acts be superseded by the successor Trustee so appointed as provided above. Every such Trustee appointed pursuant to the provisions of this Section 1008 shall be a trust company or bank in good standing and qualified to accept such trust having, or whose obligations are guaranteed by a financial institution having, a reported capital, surplus and undivided profits of not less than \$50,000,000.

Section 1009. Vesting of Trusts in Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the City and the Company 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, 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; every predecessor Trustee shall deliver all securities and moneys held as Trustee hereunder to its successor. Should any instrument in writing from the City be required by any 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 1010. Right of Trustee to Pay Taxes and Other Charges. In case any tax, assessment, payment in lieu of taxes, or governmental or other charge upon, or insurance premium with respect to, any part of the Property, the Project, the Financed Facilities, or the Financed

Equipment is not paid as required in this Indenture, the Development Agreement, or in the Lease, and after than Thirty (30) days' written notice by the Trustee to the Company the Trustee may pay such tax, payment in lieu, assessment or governmental charge or insurance premium, without prejudice, however, to any rights of the Trustee or the Bondowners hereunder arising in consequence of such failure; any amount at any time so paid under this Section 1010, with interest thereon from the date of payment at the rate of 10% per annum, shall become an additional obligation secured by this Indenture, and the same shall be given a preference in payment over any payment of principal of or interest on the Bonds, and shall be paid out of the proceeds of rents, revenues and receipts collected from the Property, the Project, the Financed Facilities, and the Financed Equipment, if not otherwise caused to be paid; but the Trustee shall be under no obligation to make any such payment unless the Trustee shall have been requested to do so by the Bondowners of at least 25% of the aggregate principal amount of the Bonds then Outstanding and shall have been provided adequate funds for the purpose of such payment.

Section 1011. Trust Estate May be Vested in Co-trustee.

(a) It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including, particularly, the State of Missouri) denying or restricting the right of banking corporations or associations to transact business as trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture or the Lease, and in particular in case of the enforcement of either 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 the Trustee, or take any other action which may be desirable or necessary in connection therewith, it may be necessary or desirable that the Trustee 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 in such instance.

(b) In the event that the Trustee appoints an additional individual or institution as a co-trustee or separate trustee (which appointment shall be subject to the approval of the City and the Company), 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.

(c) Should any deed, conveyance or instrument in writing from the City or the Company be required by the co-trustee or separate trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to such co-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 or the Company, as applicable.

(d) 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 1012. Accounting. The Trustee shall render an annual accounting for the period ending December 31 of each year to the City, the Company and to any Bondowner requesting the same and, upon the request of the Company or the Bondowner, a monthly accounting to the Company and the Bondowner, showing in reasonable detail all financial transactions relating to the Trust Estate during the accounting period and the balance in any funds or accounts created by this Indenture as of the beginning and close of such accounting period.

Section 1013. Performance of Duties Under the Lease. The Trustee hereby accepts and agrees to perform all duties and obligations assigned to the Trustee under the Lease.

**ARTICLE XI
SUPPLEMENTAL INDENTURES**

Section 1101. Supplemental Indentures Not Requiring Consent of Bondowners. The City and the Trustee may from time to time, without the consent of or notice to any of the Bondowners, enter into such Supplemental Indenture or Supplemental Indentures as shall not be inconsistent with the terms and provisions hereof, for any one or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in this Indenture, or to make any other change not materially adverse to the security for the Bondowners;
- (b) To grant to or confer upon the Trustee for the benefit of the Bondowners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondowners or the Trustee or either of them;
- (c) To more precisely identify the Property, the Project, the Financed Facilities, or the Financed Equipment or to add additional property thereto; or
- (d) To subject to this Indenture additional revenues, properties or collateral.

Section 1102. Supplemental Indentures Requiring Consent of Bondowners.

(a) Exclusive of Supplemental Indentures covered by Section 1101 of this Indenture and subject to the terms and provisions contained in this Section 1102, and not otherwise, the Bondowners of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the City and the Trustee of 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 without the consent of the Bondowners of 100% of the principal amount of the Bonds then Outstanding, nothing in this Section 1102 contained shall permit or be construed as permitting (1) an extension of the maturity or a shortening of the redemption date of the principal of or the interest, if any, on any Bond issued hereunder, or (2) a reduction in the principal amount of any Bond or the rate of interest thereon, if any, or (3) a privilege or priority of any Bond over any other Bond,

or (4) a reduction in the aggregate principal amount of the Bonds the Bondowners of which are required for consent to any such Supplemental Indenture.

(b) If at the time the City shall request the Trustee to enter into any such Supplemental Indenture for any of the purposes of this Section 1102, the Trustee shall cause notice of the proposed execution of such Supplemental Indenture to be mailed to each Bondowner as shown on the Register required by Section 206 of this Indenture. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof, which shall be promptly mailed to the Bondowner upon written request, are on file at the principal corporate trust office of the Trustee for inspection by all Bondowners. If within Sixty (60) days or such longer period as may be prescribed by the City following the mailing and final publication of such notice, the Bondowners of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture shall have consented to and approved the execution thereof as herein provided, no Bondowner 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 1103. Company's Consent to Supplemental Indentures. Anything herein to the contrary notwithstanding, a Supplemental Indenture under this Article XI which affects any rights of the Company shall not become effective unless and until the Company shall have consented in writing to the execution and delivery of such Supplemental Indenture. In this regard, the Trustee shall cause notice of the proposed execution and delivery of any such Supplemental Indenture together with a copy of the proposed Supplemental Indenture to be mailed to the Company at least Thirty (30) days prior to the proposed date of execution and delivery of any such Supplemental Indenture.

ARTICLE XII SUPPLEMENTAL LEASES

Section 1201. Supplemental Leases Not Requiring Consent of Bondowners. The City and the Trustee shall, without the consent of or notice to the Bondowners, consent to the execution of any Supplemental Lease or Supplemental Leases by the City and the Company as may be required (a) in connection with the making by the Company of Additional Payments and acceptance by the City of additional real or personal property to be subject to the Lease, (b) by the provisions of the Lease and this Indenture, (c) for the purpose of curing any ambiguity or formal defect or omission in the Lease, (d) so as to more precisely identify the Property, the Project, the Financed Facilities, or the Financed Equipment or add additional property thereto, (e) in connection with any other change therein which, in the judgment of the Trustee, does not materially and adversely affect the Trustee or security for the Bondowners.

Section 1202. Supplemental Leases Requiring Consent of Bondowners. Except for Supplemental Leases as provided for in Section 1201 of this Indenture, neither the City nor the Trustee shall consent to the execution of any Supplemental Lease or Supplemental Leases by the City or the Company without the mailing of notice and the obtaining of the written approval or consent of the Bondowners of not less than a majority in aggregate principal amount of the Bonds at

the time Outstanding given and obtained as provided in Section 1102 of this Indenture. If at any time the City and the Company shall request the consent of the Trustee to any such proposed Supplemental Lease, the Trustee shall cause notice of such proposed Supplemental Lease to be mailed in the same manner as provided in Section 1102 of this Indenture with respect to Supplemental Indentures. Such notice shall briefly set forth the nature of such proposed Supplemental Lease and shall state that copies of the same are on file in the principal corporate trust office of the Trustee for inspection by all Bondowners.

**ARTICLE XIII
SATISFACTION AND DISCHARGE OF INDENTURE**

Section 1301. Satisfaction and Discharge of this Indenture.

(a) When all of the principal of and interest on all of the Bonds shall have been paid in accordance with their terms or provision has been made for such payment, as provided in Section 1302 of this Indenture, and provision shall also be made for paying all other sums payable under this Indenture and under the Lease, including the reasonable fees and expenses of the Trustee, the City and Paying Agent to the date of retirement of such Bonds, and all sums payable by the Company under the Development Agreement, then the right, title and interest of the Trustee in respect hereof 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 amounts in the Bond Fund required to be paid to the Company under Section 606 of this Indenture and except funds or securities in which such funds are invested held by the Trustee for the payment of the principal of and interest on the Bonds.

(b) The City is hereby authorized to accept a certificate by the Trustee that the whole amount of the principal and interest, if any, so due and payable upon all of the Bonds then Outstanding has been paid or such payment provided for in accordance with Section 1302 of this Indenture as evidence of satisfaction of this Indenture, and upon receipt thereof shall cancel and erase the inscription of this Indenture from its records.

Section 1302. Bond Deemed to be Paid.

(a) Bonds shall be deemed to be paid within the meaning of this Article XIII when payment of the principal of and interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in this Indenture, or otherwise), either (1) shall have been made or caused to be made in accordance with the terms thereof, or (2) shall have been provided for by depositing with the Trustee in trust and irrevocably set aside exclusively for such payment (i) moneys sufficient to make such payment or (ii) Government Securities maturing as to principal and interest in such amount and at such times as will insure the availability of sufficient moneys to make such payment, or (3) shall have been provided for by surrendering such Bonds to the Trustee for cancellation. At such time as such Bonds shall be deemed to be paid hereunder, as

aforesaid, such Bonds shall no longer be secured by or entitled to the benefits of this Indenture, except for the purposes of such payment from such moneys or Government Securities.

(b) Notwithstanding the foregoing, in the case of Bonds which by their terms may be redeemed prior to the stated maturities thereof, no deposit under clause (2) of the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until, as to all such Bonds which are to be redeemed prior to their respective stated maturities, proper notice of such redemption 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.

(c) Notwithstanding any provision of any other section of this Indenture which may be contrary to the provisions of this Section 1302, all moneys or Government Securities set aside and held in trust pursuant to the provisions of this Section 1302 for the payment of the Bonds shall be applied to and used solely for the payment of such Bonds, with respect to which such moneys and Government Securities have been so set aside in trust.

(d) At the Company's option, the Company may deliver to the Trustee for cancellation Bonds or portions thereof not previously paid, and the Company shall receive a credit against the Basic Rent or other amounts payable by the Company for the redemption or defeasance of the Bonds in an amount equal to 100% of the principal amount of the Bonds so delivered for cancellation, plus the accrued interest thereon.

ARTICLE XIV MISCELLANEOUS PROVISIONS

Section 1401. Consents and Other Instruments by Bondowners. Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Bondowners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondowners 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 Bonds, 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 the certificate of any officer in any jurisdiction who by law has power to take acknowledgements within such jurisdiction that the person signing such instrument acknowledged before him the execution thereof, or by affidavit of any witness to such execution.

(2) The fact of ownership of Bonds and the amount or amounts, numbers and other identification of such Bonds, and the date of holding the same shall be proved by the Register maintained on behalf of the City by the Trustee pursuant to Section 206 of this Indenture.

Section 1402. 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 Bonds is intended or shall be construed to give any person other than the parties hereto, and the Bondowners, if any, any right, remedy or claim under or in respect to this Indenture, this Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the Bondowners, as herein provided.

Section 1403. Notices. It shall be sufficient service of any notice, request, complaint, demand or other paper required by this Indenture to be given or filed with the City, the Trustee, the Company or Bondowners if the same shall be duly mailed by registered or certified mail addressed:

- (a) To the City: City of Moberly, Missouri
101 West Reed Street -City Hall
Moberly, Missouri 65270
ATTN: City Manager
- with a copy to: Gilmore & Bell, P.C.
211 N. Broadway, Suite 2000
St. Louis, Missouri 63102
ATTN: Shannon Creighton, Esq.
- (b) To the Trustee: BOKF, N.A.
200 North Broadway, Suite 1710
St. Louis, Missouri 63102
ATTN: Corporate Trust Department
- (c) To the Company: EquipmentShare.com Inc.
5710 Bull Run Drive
Columbia, Missouri 65201
ATTN: _____

with a copy to: _____

ATTN: _____

(d) To the Bondowners if the same shall be duly mailed by first class, registered or certified mail addressed to each of the Bondowners of the Bonds at the time Outstanding as shown on the Register required by Section 206 of this Indenture to be kept at the principal corporate trust office of the Trustee.

Section 1404. 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 hereof 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 1405. Execution in Counterparts. This Indenture 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 1406. Governing Law; Choice of Forum. This Indenture and its performance shall be governed by and construed under the laws of the State of Missouri applicable to contracts made and to be performed wholly within such state, without regard to choice or conflict of laws provisions. Any action at law, suit in equity, or other judicial proceeding arising out of this Indenture shall be instituted only in the circuit court of Randolph County, Missouri or in federal court of the Eastern District of Missouri and waive any objections based upon venue or *forum non conveniens* or otherwise.

IN WITNESS WHEREOF, City of Moberly, Missouri, has caused this Indenture to be signed in its name and behalf by its Mayor and the seal of the City to be hereunto affixed and attested by its City Clerk, and to evidence its acceptance of the trusts hereby created, BOKF, N.A. has caused this Indenture to be signed in its name and behalf by its duly authorized officer and its official seal to be hereunto affixed and attested by its Secretary or Assistant Secretary, all as of the date first above written.

CITY OF MOBERLY, MISSOURI

By _____
Jerry Jeffrey, Mayor

[SEAL]
ATTEST:

By _____
Shannon Hance, City Clerk

BOKE, N.A.,
as Trustee

By _____
Name:
Title:

ATTEST:

By _____
Name:
Title:

EXHIBIT A
LOCATION OF FINANCED FACILITIES

EXHIBIT B
THE FINANCED EQUIPMENT
[TO BE PROVIDED BY THE COMPANY]

**EXHIBIT C
THE PROPERTY**

Parcel No. 07-7.0-26.0-0.0-000-014.000 in the records of the Randolph County, known and numbered as 1855 Robertson Road, Moberly Missouri and partially described as:

Sec: 26.0 Twp: 54 Range: 14 - PT OF SE1/4: BEG 792.75' S & 34.77' W OF NE COR OF SE1/4, TH S 751.68', W 82', SWLY 146.57', SLY 268.12' TO N LINE OF HUNTHAUSEN RD, TH W 479.96', N 1110.26' TO S LINE OF FOWLER RD, TH E 700.10'>

Sec: 26.0 Twp: 54 Range: 14 - PT OF SE1/4: BEG 792.75' S & 34.77' W OF NE COR OF SE1/4, TH S 751.68', W 82', SWLY 146.57', SLY 268.12' TO N LINE OF HUNTHAUSEN RD, TH W 479.96', N 1110.26' TO S LINE OF FOWLER RD, TH E 700.10'>

A total of 16.0 +/- acres.

EXHIBIT D
FORM OF PURCHASER'S LETTER OF REPRESENTATIONS

_____, 20____

City of Moberly
Moberly, Missouri

BOKF, N.A., as Trustee
St. Louis, Missouri

Re: \$55,000,000 (Aggregate Maximum Principal Amount) City of Moberly, Missouri Taxable Industrial Revenue Bonds (EquipmentShare.com Inc. Manufacturing, Refurbishment and Distribution Facility Project) Series 2023 (the "Bonds")

Ladies and Gentlemen:

This letter is to provide you with certain representations and agreements with respect to the **[purchase of/making of an Additional Payment in connection with]** \$55,000,000 (Aggregate Maximum Principal Amount) City of Moberly, Missouri Taxable Industrial Revenue Bonds (EquipmentShare.com Inc. Manufacturing, Refurbishment and Distribution Facility Project) Series 2023 by the undersigned (the "Purchaser"). The Bonds are secured in the manner set forth in the Trust Indenture dated as of _____1, 2023 (the "Indenture"), between the City of Moberly, Missouri (the "City") and BOKF, N.A., as trustee (the "Trustee"). *Capitalized terms used and not defined in this letter shall have the meanings ascribed to them in the Indenture.*

In connection with **[purchase of/making of an Additional Payment under]** the Bonds, the undersigned Purchaser hereby represents and warrants to each of you and agrees with each of you, as follows:

1. Purchase and Receipt of Bonds. Purchaser acknowledges the **[initial]** purchase, receipt, and delivery from the City of the above-described Bonds, consisting of a single bond certificate in the maximum aggregate principal amount of \$55,000,000, dated as of _____1, 2023 and maturing on the later of: (i) December 31, 2034 (12 years following the last date for acceptance by the City of any portion of the Financed Facilities or the Financed Equipment;) or (ii) with respect to each portion of the Bonds represented by an annual endorsement of principal, December 1 of that year which is Twelve (12) years from the year of such annual endorsement as set forth on the Table to which an Additional Payment/Principal Amount Advanced (all as provided in Section 208(e) of the Indenture) pertains, the corresponding portion of the Cumulative Outstanding Principal Amount reflected on Column D to the Table.

2. Receipt of Documents. Purchaser acknowledges that Purchaser has timely received in satisfactory form and manner all proceedings, certificates, opinions, and other documents required to be submitted to Purchaser pursuant to the Indenture prior to or on the date of **[purchase of/making of an Additional Payment under]** the Bonds, and that the City and the

Company have in all respects complied with and satisfied all of their respective obligations to Purchaser that are required under the Indenture to be complied with and satisfied on or before such date.

3. Security for the Bonds. Purchaser fully understands and acknowledges:

- (a) That the Bonds have been issued under and pursuant to the Indenture;
- (b) That the Bonds are payable solely out of the rents, revenues, and receipts to be derived from the leasing or sale of the Project to the Company under the Lease, which payments, revenues, and receipts have been pledged and assigned by the City to the Trustee under the Indenture to secure the payment of the principal of and interest on the Bonds; and
- (c) That the Bonds do not constitute an indebtedness of the City or a loan or credit thereof within the meaning of any constitutional or statutory debt limitation or restriction.

4. No Registration. Purchaser understands that the Bonds have not been registered under the Securities Act of 1933, as amended, or the securities law of any state and will be sold to Purchaser in reliance upon certain exemptions from registration and in reliance upon the representations and warranties of Purchaser set forth herein. Purchaser acknowledges that no official statement or other offering document has been prepared with respect to the Bonds and that the absence of such offering material will limit the transferability of the Bonds. Purchaser is familiar with and has counsel who is familiar with federal and state laws pertaining to the transfer and distribution of securities, including, without limitation, disclosure obligations of the seller incident to any such transfer or distribution. Purchaser understands and acknowledges that the Bonds are exempt from the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission. Purchaser hereby covenants and agrees that Purchaser will not sell, offer for sale, pledge, transfer, convey, hypothecate, mortgage, or dispose of the Bonds or any interest therein in violation of applicable federal or state law or in violation of the restrictions on sale, assignment, negotiation, or transfer of the Bonds set forth in paragraph 9 of this letter.

5. Purchase of Bonds. Purchaser has sufficient knowledge and experience in business and financial matters in general, and investments such as the Bonds in particular, to enable Purchaser to evaluate the risks involved in an investment in the Bonds. Purchaser is **[purchasing/making an Additional Payment under]** the Bonds solely as an investment and for Purchaser's own account, as principal (not on behalf of another) with the present intent of holding the Bonds in Purchaser's investment portfolio, and not with a view to or in connection with any agreement or understanding looking toward any distribution, resale, fractionalization, subdivision, or other disposition thereof, and no person other than Purchaser has direct or indirect interest in the Bonds. Purchaser has satisfied itself that the Bonds may be legally purchased and assigned and transferred to Purchaser.

6. Financial Statements and Documents; Access to Information. Purchaser has received and carefully reviewed a copy of the Indenture and the Lease. Purchaser has received all

financial and other information from the Company that Purchaser has requested, has had all questions answered by appropriate officers of Company, and to the knowledge of Purchaser, has received all information necessary to make an informed decision with respect to issuance and purchase of the Bonds.

7. Accredited Investor. Purchaser certifies that Purchaser is (i) an “accredited investor” as that term is defined in Rule 501(a) of Regulation D promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended (the “1933 Act”) or (ii) a “qualified institutional buyer” as that term is defined in Rule 144A promulgated by the Securities and Exchange Commission under the 1933 Act (or other applicable state and federal securities laws and regulations).

8. Suitable Investment. Purchaser is now and was when Purchaser agreed to [purchase/make an Additional Payment under] the Bonds, familiar with the operations of the Company and fully aware of terms and risks of the Bonds. Purchaser confirms that Purchaser’s investment in the Bonds constitutes an investment that is suitable for and consistent with Purchaser’s investment program and that Purchaser is able to bear the economic risk of an investment in the Bonds, including a complete loss of such investment.

9. Sale or Exchange. Purchaser acknowledges that the right to sell, assign, negotiate, or otherwise transfer the Bonds shall be limited to the sale, assignment, negotiation, or transfer to an “accredited investor” as that term is used and defined in Rule 501(a) of Regulation D of the 1933 Act and a “qualified institutional buyer” as that term is used and defined in Rule 144A promulgated by the Securities and Exchange Commission under the 1933 Act. Purchaser acknowledges and agrees that Purchaser will only offer, sell, pledge, transfer, or exchange the Bonds (a) in accordance with an available exemption from the registration requirements of the 1933 Act, (b) in accordance with any applicable state securities laws, and (c) in accordance with the provisions of the Indenture.

10. Indemnification; Reliance. Purchaser agrees to indemnify and hold each of the addressees of this letter and Bond Counsel harmless from any claims, judgments, costs, fees and expenses of whatsoever nature, whether relating to litigation or otherwise, resulting from the attempted or affected sale, offer for sale, pledge, transfer, conveyance, hypothecation, mortgage, disposition of the Bonds in violation or contravention of this letter. Purchaser has satisfied itself that the Bonds may be legally purchased by and assigned and transferred to Purchaser and the addressees and Bond Counsel may rely upon the representations of Purchaser set forth herein.

Very truly yours,

EQUIPMENTSHARE.COM INC.

“Purchaser”

By: _____
Title: _____

_____ [Space Above this Line for Recording Data] _____

Title of Document: Special Warranty Deed

Date of Document: _____ 1, 2023

Grantor: EQUIPMENTSHARE.COM INC.,
a Delaware corporation duly authorized to do business in Missouri

Grantor's Address: 5710 Bull Run Drive
Columbia, Missouri 65201

Grantee: CITY OF MOBERLY, MISSOURI,
a Missouri municipal corporation

Grantee's Address: 101 West Reed Street
Moberly, Missouri 65270

Full Legal Description:

See Exhibit A, page 4 hereof.

Reference Documents:

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED (this “**Deed**”) is made and entered into as of _____ 1, 2023, by and between EQUIPMENTSHARE.COM INC., a Delaware corporation duly authorized to do business in Missouri and having a principal office at 5710 Bull Run Drive, Columbia, Missouri 65201 (“**Grantor**”) and the CITY OF MOBERLY, MISSOURI, a Missouri municipal corporation having a principal office at 101 West Reed Street, Moberly, Missouri 65270 (“**Grantee**”).

WITNESSETH, that Grantor, for and in consideration of the sum of Ten Dollars (\$10.00) and other valuable considerations paid by Grantee, the receipt of which is hereby acknowledged, does hereby BARGAIN AND SELL, CONVEY AND CONFIRM unto Grantee the following described real property and any improvements thereon (collectively, the “**Property**”) situated in the County of Randolph and State of Missouri, to wit:

See Exhibit A attached hereto and by this reference incorporated herein;

Subject to restrictions, easements, dedications, conditions, building lines, covenants, reservations and limitations of record.

TO HAVE AND TO HOLD the Property, together with all rights and appurtenances belonging to the Property, unto Grantee and Grantee’s successors and assigns forever. Grantor covenants that Grantor shall and will WARRANT AND DEFEND the title to the Property unto Grantee and Grantee’s successors and assigns against the lawful claims of all persons claiming by or through Grantor but none other, excepting, however, all claims, liens and encumbrances of record and further subject to the general taxes for the calendar year 2023 and thereafter, and special taxes becoming a lien after the date of this Deed.

IN WITNESS WHEREOF, Grantor's duly authorized official has signed this Deed as of the day and year first above written.

EQUIPMENTSHARE.COM INC.

By: _____
 Printed Name: _____
 Title: _____

ACKNOWLEDGEMENT

STATE OF MISSOURI)
) SS.
COUNTY OF BOONE)

On this ____ day of _____, 2023, before me, the undersigned, a Notary Public, appeared _____, to me personally known, who, being by me duly sworn, did say that he is the [TITLE] of EQUIPMENTSHARE.COM INC., a Delaware corporation duly authorized to do business in Missouri, and that the foregoing instrument was signed in behalf of said corporation by authority of its board of directors and said officer acknowledged said instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid on the day and year first above written.

Name: _____
Notary Public in and for said State

My commission expires:

Exhibit A**THE PROPERTY - LEGAL DESCRIPTION**

Parcel No. 07-7.0-26.0-0.0-000-014.000 in the records of the Randolph County, known and numbered as 1855 Robertson Road, Moberly Missouri and partially described as:

Sec: 26.0 Twp: 54 Range: 14 - PT OF SE1/4: BEG 792.75' S & 34.77' W OF NE COR OF SE1/4, TH S 751.68', W 82', SWLY 146.57', SLY 268.12' TO N LINE OF HUNTHAUSEN RD, TH W 479.96', N 1110.26' TO S LINE OF FOWLER RD, TH E 700.10'>

Sec: 26.0 Twp: 54 Range: 14 - PT OF SE1/4: BEG 792.75' S & 34.77' W OF NE COR OF SE1/4, TH S 751.68', W 82', SWLY 146.57', SLY 268.12' TO N LINE OF HUNTHAUSEN RD, TH W 479.96', N 1110.26' TO S LINE OF FOWLER RD, TH E 700.10'>

A total of 16.0 +/- acres.



One Metropolitan Square
211 N. Broadway, Suite 2000
St. Louis, Missouri 63102-2746

(314) 436-1000 / (314) 436-1166 FAX / gilmorebell.com

February 21, 2023

Mr. Brian Crane
City Manager
City of Moberly
101 W. Reed St.
Moberly, Missouri 65270

Mr. Randy Asbury
President
Moberly Area Economic Development Corporation
115 North Williams
Moberly, Missouri 65270

Re: Issuance of Not to Exceed \$55,000,000 of Taxable Industrial Revenue Bonds for the Benefit of EquipmentShare.Com, Inc.

Dear Messrs. Crane and Asbury:

The purpose of this engagement letter is to set forth certain matters concerning the services we will perform as bond counsel to the City of Moberly in connection with the issuance of taxable industrial revenue bonds in the maximum principal amount of \$55,000,000 (the "Bonds"). We understand that the proceeds of the Bonds will be used to renovate the existing facility located at 1855 Robertson Road and equip the facility (the "*Project*") to accommodate a new construction equipment refurbishment, rental, sales and service facility to be owned by EquipmentShare.com Inc. (the "*Company*"). The Bonds will be limited obligations of the City, payable solely from money derived from the lease of the Project by the City to the Company.

SCOPE OF ENGAGEMENT

In this engagement, as bond counsel to the City we expect to perform the following duties:

- (1) Subject to the completion of proceedings to our satisfaction, render our legal opinion (the "*Bond Opinion*") regarding the validity and binding effect of the Bonds, and such related matters as we deem necessary or appropriate.

- (2) Examine applicable law as it relates to the authorization and issuance of the Bonds and our Bond Opinion and advise the City regarding the legal authority for the issuance of the Bonds and other legal matters related to the structure of the Bonds.
- (3) Prepare or review authorizing proceedings and other legal documents necessary or appropriate to the authorization, issuance and delivery of the Bonds and the lease of the Project to the Company, including the Plan for Industrial Development and Cost/Benefit Analysis as required by Section 100.050 of the Missouri Revised Statutes.
- (4) Attend meetings and conferences related to the Bonds and otherwise consult with the parties to the transaction prior to the issuance of the Bonds.
- (5) Coordinate the closing of the transaction, and after the closing assemble and distribute transcripts of the proceedings and documentation relating to the authorization and issuance of the Bonds.
- (6) Undertake such additional duties as we deem necessary to complete the transaction and to render our Bond Opinion.

Our Bond Opinion will be addressed to the City and the Company, and will be delivered by us on the date the Bonds are exchanged for their purchase price (the “*Closing*”).

The Bond Opinion will be based on facts and law existing as of its date. In rendering our Bond Opinion, we will rely upon the certified proceedings and other certifications of public officials, officers of the Company and other persons furnished to us without undertaking to verify the same by independent investigation, and we will assume continuing compliance by the City and the Company with applicable laws relating to the Bonds. During the course of this engagement, we will rely on the Company to provide us with complete and timely information on all developments pertaining to any aspect of the Project and the Bonds.

Our duties in this engagement are limited to those expressly set forth above. Among other things, our duties do not include:

- (a) Expressing any opinion regarding the taxability of the Company’s leasehold interest under the Lease Agreements between the City and the Company.
- (b) Drafting state constitutional or legislative amendments or pursuing test cases or other litigation.
- (c) Making an investigation or expressing any view as to the creditworthiness of the Company.
- (d) Addressing any other matter not specifically set forth above that is not required to render our Bond Opinion.

ATTORNEY-CLIENT RELATIONSHIP

Upon execution of this engagement letter, the City will be our client and an attorney-client relationship will exist between us. In performing our services as bond counsel, we will represent the interests of the City exclusively. We will not be representing the Company. Our representation of the City will not affect, however, our responsibility to render objective Bond Opinion.

Our representation of the City and the attorney-client relationship created by this engagement letter will be concluded upon issuance of the Bonds and the delivery of our Bond Opinion.

FEES AND EXPENSES

Although the City will be our sole client, the Company will be responsible for paying our legal fees. Based upon (1) our current understanding of the terms, structure, size and schedule of the transaction, including our understanding that (a) there is no lender financing of the Project and (b) all of the Bonds will be purchased by the Company, (2) the duties we will undertake pursuant to this letter, (3) the time we expect to devote to the financing and (4) the responsibilities we assume, we expect our fee to be \$60,000. If at any time we believe circumstances warrant an adjustment to that fee, we will notify you.

Except as noted in the next paragraph, the fees will be payable by the Company on the date the Bonds are issued. The City will not have any obligation with respect to our fees or expenses, except to the extent that our fees or expenses may be payable out of the proceeds of the Bonds.

The City, the Company and the Moberly Area Economic Development Corporation (the "EDC") hereby agree that the terms of the Initial Funding Agreement dated February 1, 2022 between the Company and the EDC (the "Funding Agreement") are hereby amended to recognize that Gilmore & Bell, P.C. is representing the EDC as "Special Counsel" (as defined in the Funding Agreement) replacing Cunningham, Vogel & Rost, P.C. and we are representing the City as bond counsel pursuant to the terms of this letter. The fees of Gilmore & Bell, P.C. stated above will first be paid from the Initial Funds (as defined in the Funding Agreement) on deposit with the City. Any portion of our fee not paid by the remaining Initial Funds will be payable by the Company. Section 7 of the Funding Agreement is hereby amended by inserting "December 31, 2023" in lieu of December 31, 2022 with regards to the date of return of excess Initial Funds.

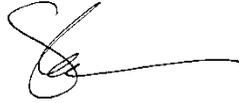
RECORDS

At your request, papers and property furnished by you will be returned promptly. Our own files, including lawyer work product, pertaining to the transaction will be retained by us. For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to dispose of any documents or other materials retained by us after the termination of the engagement.

CONCLUSION

If the foregoing terms are acceptable to you, please so indicate by returning a signed copy of this engagement letter. We look forward to working with you.

Very truly yours,

A handwritten signature in black ink, appearing to read 'S. Creighton', with a long horizontal flourish extending to the right.

Shannon W. Creighton

SWC:rab
cc: Randall Thompson, Esq.

ACCEPTED AND APPROVED:

Date: _____

CITY OF MOBERLY, MISSOURI

By: _____
Title: _____

ACCEPTED AND APPROVED:

Date: _____

**MOBERLY AREA ECONOMIC
DEVELOPMENT CORPORATION**

By: _____
Title: _____

ACCEPTED AND APPROVED:

Date: _____

EQUIPMENTSHARE.COM INC.

By: _____
Title: _____

City of Moberly City Council Agenda Summary

Agenda Number: WS #2.

Department: Public Utilities

Date: February 6, 2023

Agenda Item: A Discussion Regarding The Purchase Of A JetVac For Public Utilities From Coe Equipment Inc.

Summary: Utilities staff routinely performs system maintenance and inspections within sewer lines and manholes throughout Moberly’s sewer collection system. This system will be used just like its predecessor, within the sewer collection system to clear blockages, to clean collection system segments for evaluation necessary for rehabilitation or replacement, and to answer questions related to sewer backups, sanitary sewer overflows and to allow assessment of system condition. This purchase is being made utilizing Sourcewell, an organization that allows members to utilize discounts similar to “state bid.” The discount obtained through this group is \$8,412.38. Purchase price for this Vactor Impact JetVac Machine will be \$283,868.76 after discount, along with a trade in of the existing 2010 unit with 41,000 miles and 5815 hours for \$57,297.50 and is scheduled for ordering in the Current CIP budget in the current year and initial payments for each to follow in FY 24 CIP budget. The current JetVac along with other heavy equipment are financed with a 4 year lease purchase plan as is intended for this unit.

Recommended Action: Direct staff to present a resolution for approval during the next scheduled council meeting.

Fund Name: Capital Improvement Plan, Distribution & Collection

Account Number: 301.112.5502

Available Budget \$: 2024 FY TBD

ATTACHMENTS:		Roll Call	Aye	Nay
<input type="checkbox"/> Memo	<input type="checkbox"/> Council Minutes	Mayor		
<input type="checkbox"/> Staff Report	<input type="checkbox"/> Proposed Ordinance	M___ S___ Jeffrey	___	___
<input checked="" type="checkbox"/> Correspondence	<input type="checkbox"/> Proposed Resolution	Council Member		
<input type="checkbox"/> Bid Tabulation	<input type="checkbox"/> Attorney's Report	M___ S___ Brubaker	___	___
<input type="checkbox"/> P/C Recommendation	<input type="checkbox"/> Petition	M___ S___ Kimmons	___	___
<input type="checkbox"/> P/C Minutes	<input type="checkbox"/> Contract	M___ S___ Lucas	___	___
<input type="checkbox"/> Application	<input type="checkbox"/> Budget Amendment	M___ S___ Kyser	___	___
<input type="checkbox"/> Citizen	<input type="checkbox"/> Legal Notice			
<input type="checkbox"/> Consultant Report	<input type="checkbox"/> Other _____		Passed	Failed

5953 Cherry Street, Rochester, IL 62563 • P. 217.498.7200 • F. 217.498.7205 • www.coe-equipment.com

Serving Illinois & Missouri Since 1986 • All Sewer Cleaning & Vacuum Excavation Equipment

IS PLEASED TO SUBMIT A QUOTATION FOR A

Vector Impact

Combination Single Engine Sewer Cleaner with Positive Displacement Vacuum System
Mounted on a Heavy Duty Truck Chassis



FOR

Moberly, MO
101 West Reed Street
Moberly, MO 65270

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About Coe Equipment (Background, years in business, and business team)

Coe Equipment Incorporated is a distributor of sewer cleaning and municipal equipment to cities and contractors throughout Illinois and Missouri. Our team includes over 115 years of combined experience, and over \$500,000 in parts availability. In addition to selling new and used equipment, we also repair all makes and models of sewer cleaning and vacuum equipment. Coe Equipment has been the Vactor Manufacturing, Inc. local manufacturer's representative for over 36 years, since 1986. Coe Equipment has four field technicians and three mechanics certified to work on Vactor equipment. Our warranty and service facility is located in Rochester, IL.

Vactor Manufacturing is the leading manufacturing of sewer cleaners and catch basin cleaners, jetters, industrial vacuum loaders and vacuum excavation equipment featuring innovative technology and custom-configurable designs. Originally founded in Chicago in 1911 as the Myers-Sherman Company, Vactor has been creating and perfecting sewer cleaning equipment for over 100 years. Vactor is located on 20 acres with 245,000 square feet of manufacturing space under one roof in Streator, Illinois and is ISO 9001:2008 and ISO 14001:2004 certified.

Location and Contacts

Coe Equipment, Inc. is headquartered in Rochester, IL. Primary contact information for Coe Equipment is provided below:

Coe Equipment, Inc.

5953 Cherry Street

Rochester, IL 62563

Contact: Matt Freeze

Phone: 217-899-7300

Fax: 217-498-7205

Email: matt@coe-equipment.com

Office hours: 7:30 AM – 5:00 PM, Monday - Friday

After office hours: Call cell phone to troubleshoot and schedule appointments outside of office hours.

Proposed Equipment:

WS #2.

Order Qty	Part Number	Description
1	2100C-3	iMPACT PD, 15" Vacuum, 3 yrd Debris, 500 Gal Water, Combo
1	010CSTD	Curbside Toolbox w/ Nozzle Storage Rack
1	011CSTD	Aluminum Fenders
1	012CSTD	Mud Flaps
1	014CSTD	Electric / Hydraulic Proportional Boom Control
1	016CSTD	Color Coded Sealed Electrical System
1	019CSTD	Intuitouch Electronic Package
1	020CSTD	Double Acting Hoist Cylinder
1	025CASTD	Handgun Assembly
1	026CSTD	Ex-Ten Steel Cylindrical Debris Tank
1	030CSTD	Flexible Hose Guide
1	032CSTD	(2) Nozzles w/ Carbide Inserts
1	045CSTD	Suction Tube Storage
1	046CSTD	3/4" Nozzle Pipe
1	048CSTD	10' Leader Hose
1	1005CSTD	Stainless Steel Float Shut Off System
1	1016CSTD	Horizontal Microstrainer Prior to Blower
1	1024CSTD	Debris Body Vacuum Relief System
1	1041CSTD	Debris Body-Up Light and Alarm
1	2001CSTD	Low Water Alarm with Water Pump Flow Indicator
1	2022CSTD	Water Tank Sight Gauge
1	2023CSTD	Liquid Float Body Level Indicator
1	3015CSTD	Front Controlled Blower Drive
1	3019CSTD	Digital Water Pressure Gauge
1	4006CSTD	Joystick Boom Control
1	4010CSTD	Boom Hose Storage
1	4005CSTD	180 deg. 5ft Extendable Boom
1	4017CSTD	Boom Out of Position Light and Alarm
1	5002CSTD	40 GPM/2500 PSI Jet Rodder pump
1	5010CSTD	Rodder System Accumulator - Jack Hammer on/off Control w/ manual valve
1	5011CSTD	3" Y-Strainer at Water Pump
1	5012CSTD	Multi-Flow Water System
1	5014CSTD	1" Water Relief Valve
1	5015CSTD	Midship High Pressure Coupling
1	6000CSTD	500' x 3/4" Sewer Hose 2500 PSI, Piranha
1	6004CSTD	Hose Wind Guide (Dual Roller), Manual
1	6005CSTD	Digital Hose Footage Counter
1	6017CSTD	Hydraulic Tank Shutoff Valves
1	6020CSTD	Rotating Hose Reel, 3/4" x 500' Capacity, 180 Deg. Rotation
1	7001CSTD	Tachometer / Chassis Engine w/ Hour Meter
1	7003CSTD	Water Pump Hour Meter
1	7004CSTD	PTO Hour Meter
1	7005CSTD	Hydraulic Oil Temp Alarm
1	7007CSTD	Tachometer / Blower w/ Hour Meter
1	8000CSTD	Circuit Breakers
1	8025CSTD	LED Lights, Clearance, Backup, Stop, Tail, & Turn
1	9002CSTD	Tow Hooks, Front
1	9002CSTD	Tow Hooks, Rear

1	9003CSTD	Electronic Back-Up Alarm
1	S390CSTD	6" Vacuum Pipe Package
1	S560CSTD	Emergency Flare Kit
1	S590CSTD	Fire Extinguisher 5 Lbs.
1	500655B-30	Vactor Standard Manual and USB Version - 1 + Dealer
1	1003C	Body Washout
1	1008CA	6" Rear Door Knife Valve w/Camloc, 6:00 position
1	1013C	Additional Water, Water and Debris Tanks Joined
1	1014C	Centrifugal Separators (Cyclones)
1	1022C	Rear Door Splash Shield
1	1023C	Lube Manifold
1	1023CA	Lube Chart, included with Lube Manifold
1	2006C	Air Purge
1	3019C	Digital Water Level Indicator
1	3021C	Digital Debris Body Level Indicator Tied to Vacuum Relief
1	4011C	Bellypack Wireless Controls, including hose reel controls
1	5008CA	Cold Weather Recirculator, PTO Driven, 12 GPM
1	5021CA	Hydro Excavation Kit - Includes Lances w/ Shield, Nozzles, Storage Tray, and Vacuum Tube
1	6004CC	Pinch Roller
1	6014C	High Pressure Hose Reel
1	6019C	Rodder Pump Drain Valves
1	6019CA	Final Filter and Silencer Ball Valve Drains
1	8001CM	Rear Directional Control, LED Arrowstick
1	8002CA	Wireless, Waterproof, Rechargeable, Handheld, LED Spot Light w/12V Charger
1	8020CA	10 Light Package, 10 Federal Signal Strobe Lights, LED
1	8029CA	Worklights (2), Boom
1	8029CB	Worklights (2), Rear Door
1	9021C	Camera System, Front and Rear
1	9023CB	Safety Cone Storage Rack - Drop in Style
1	9071CA	Toolbox, Behind Cab - 14w 36h x 88d
1	P112STD	Module Paint, DuPont Imron Elite - Sanded Primer Base
1	LOGO-APPL.	Vactor/Guzzler Logos - Applied
1	500655-30	1 Printed Full Vactor Manual
1	MSFS300A-E	Customer Supplied Chassis, Single Axle, 2024 Freightliner M2 106, 300 HP, Auto, 26000 GVWR, Air Brakes, GHG
1	1003088-100	Machete #10 Hydroexcavation Nozzle with Quick Connect
1	RC-MINI-KIT-3/4	3/4" Mini Root Cutter Kit
1	WHR-3/4-PKG	3/4" Warthog Sewer Nozzle

Module Paint Match Cab - Yes

Module Paint Color - White

Cab Color - White

Chassis Specifications:

2024 International MV607 4x2 SBA, Cummins Engine 300HP, 25,999 GVW, and Allison 3500 RDS Auto Transmission

Total Price*

Factory Price:	\$254,706.94
2024 IH MV607 SBA 4x2:	\$94,871.70
Sourcewell Member #94169 Discount:	-\$8,412.38
Subtotal:	\$341,166.26
Trade-In Allowance (SN 10-10V-12368):	-\$57,297.50
Total:	\$283,868.76

Price includes delivery, on-site operator training, and factory training class admission Title, and license in addition to the unit price.

Price valid for 30 days.

Payment Terms: NET

Delivery: Notification with order

*Proposal Notes:

1. Multiple unit orders will be identical to signed proposal. Changes or deviations to any unit of a multiple unit order will require a new signed proposal.
2. Chassis specifications and data codes for customer-supplied chassis must be submitted to and approved by Vactor Manufacturing prior to submittal of customer purchase order.
3. All prices quoted are in US Dollars unless otherwise noted.
4. Trade-in requires title, manual, standard accessories, and should be in good working order. Vacuum system, body, debris hoses and pipes must be clean and empty. Trade must pass state and DOT inspection.

This quotation becomes a contract for delivery and payment of the merchandise listed above only when signed by the Company and the customer or one of its officers.

Customer

Coe Equipment, Inc.
Company

Customer Representative

Matt Freeze
Company Representative:

Date

1/10/2023
Date

Warranty and Literature

Chassis Specifications

LIMITED WARRANTY

Limited Warranty. Each machine manufactured by VACTOR/GUZZLER MANUFACTURING (or, "the Company") is warranted against defects in material and workmanship for a period of 12 months, provided the machine is used in a normal and reasonable manner and in accordance with all operating instructions. In addition, certain machines and components of certain machines have extended warranties as set forth below. If sold to an end user, the applicable warranty period commences from the date of delivery to the end user. If used for rental purposes, the applicable warranty period commences from the date the machine is first made available for rental by the Company or its representative. This limited warranty may be enforced by any subsequent transferee during the warranty period. This limited warranty is the sole and exclusive warranty given by the Company.

STANDARD EXTENDED WARRANTIES (Total Warranty Duration)

- 2100 Series, HXX Series and Jetters 10 years against metal water tank leakage due to corrosion. Nonmetallic water tanks are covered for 5 years against any factory defect in material or workmanship.
- 2100 Series and HXX only 5 years against leakage of debris tank, centrifugal compressor or housing due to rust-through.
- 2100 Series and Jetters 2 years - Vactor Rodder Pump on all unit serial numbers starting with 13-##V-#####

Exclusive Remedy. Should any warranted product fail during the warranty period, the Company will cause to be repaired or replaced, as the Company may elect, any part or parts of such machine that the Company's examination discloses to be defective in material or factory workmanship. Repairs or replacements are to be made at the selling Vactor/Guzzler distributor's location or at other locations approved by the Company. In lieu of repair or replacement, the Company may elect, at its sole discretion, to refund the purchase price of any product deemed defective. The foregoing remedies shall be the sole and exclusive remedies of any party making a valid warranty claim.

This Limited Warranty shall not apply to (and the Company shall not be responsible for):

1. Major components or trade accessories that have a separate warranty from their original manufacturer, such as, but not limited to, trucks, engines, hydraulic pumps and motors, tires and batteries.
2. Normal adjustments and maintenance services.
3. Normal wear parts such as, but not limited to, oils, fluids, vacuum hose, light bulbs, fuses and gaskets.
4. Failures resulting from the machine being operated in a manner or for a purpose not recommended by the Company.
5. Repairs, modifications or alterations without the express written consent of the Company, which in the Company's sole judgment, have adversely affected the machine's stability, operation or reliability as originally designed and manufactured.
6. Items subject to misuse, negligence, accident or improper maintenance.

NOTE The use in the product of any part other than parts approved by the Company may invalidate this warranty. The Company reserves the right to determine, in its sole discretion, if the use of non-approved parts operates to invalidate the warranty. Nothing contained in this warranty shall make the Company liable for loss, injury, or damage of any kind to any person or entity resulting from any defect or failure in the machine.

THIS WARRANTY SHALL BE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ALL OF WHICH ARE DISCLAIMED.

This warranty is in lieu of all other obligations or liabilities, contractual and otherwise, on the part of the Company. For the avoidance of doubt, the Company shall not be liable for any indirect, special, incidental or consequential damages, including, but not limited to, loss of use or lost profits. The Company makes no representation that the machine has the capacity to perform any functions other than as contained in the Company's written literature, catalogs or specifications accompanying delivery of the machine. No person or affiliated company representative is authorized to alter the terms of this warranty, to give any other warranties or to assume any other liability on behalf of the Company in connection with the sale, servicing or repair of any machine manufactured by the Company. Any legal action based hereon must be commenced within eighteen (18) months of the event or facts giving rise to such action.

The Company reserves the right to make design changes or improvements in its products without imposing any obligation upon itself to change or improve previously manufactured products.



VACTOR/GUZZLER MANUFACTURING
1621 S. Illinois Street
Streator, IL 61364

12-13-2012

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iMPACT

INTRODUCING iMPACT.

Ergonomic. Economic. Easy-to-operate.



Our newest combination sewer cleaner may be smaller than some of our other models, but it's no less powerful. Built with the same emphasis on performance and reliability, these machines offer outstanding versatility and the ability to maneuver through tight spaces. As with all Vactor® equipment, the iMPACT allows communities to protect, clean and repair their infrastructure. It is also engineered for optimal operator comfort and control. Features contributing to the ease of use include:

- The revolutionary IntuiTouch® control system
- Superior vacuum performance
- Low-maintenance Jet Rodder® water pump
- Exclusive Modul-Flex design
- Quiet engine design, high ground clearance, low water fill point, and twist-and-lock pipe restraints
- Hose reel that can rotate up to 180°
- Precise digital hose footage counter
- Water tanks featuring superior corrosion resistance and backed by a 10-year standard warranty

The new iMPACT makes the innovations of the 2100i more accessible without sacrificing Vactor's high standards.

STREAMLINE YOUR OPERATION AT THE TOUCH OF A BUTTON.

IntuiTouch In-Cab Controls

- One-Touch engagement to activate PTO — allowing operators to gain control of all operational systems
- Operator can engage road, combo, and recirculation mode with single push-button ease



IntuiTouch Control Panel

- Rotating controls with up/down adjustment for individualized maximum comfort
- Glove-friendly tactile buttons
- Reliable touch buttons enable the operator to know if a selected function is active
- Hose reel joystick significantly improves response time and pays in and out in the direction of the hose reel
- Boom joystick has a telescoping feature built in, giving the operator full mobility with multiple direction boom movement for quicker set up
- Allows for full proportional boom control with the addition of multiple functions at one time
- Operators have full control of the water system via a single Multi-Flow control dial — enabling them to precisely match the flow and pressure to the job requirements
- E-stops located at all operator control points bring the unit to a safe condition to protect both the operator and the equipment

IntuiTouch 

ADVANTAGES THAT MAKE AN IMPACT.

Powerful Positive Displacement (PD) Vacuum

With a unique and operator friendly design, our PD vacuum is great for pulling material long distances. Powered by the chassis engine, the blower is driven hydrostatically, allowing independent control of speed while boosting productivity and reliability.



Exceptional Jet Rodder Water Pump

Leading the industry in longevity and worry-free maintenance, the Jet Rodder water pump delivers smooth flow at the nozzle for general cleaning and root cutting. Includes the powerful "Jackhammer" action to break up the toughest blockages.



Robust Aluminum Water Tank

Backed by a 10-year warranty, the water tank on the iMPACT has a non-corrosive, rust- and crack-resistant design. A baffled cylindrical shape adds high strength and durability while the position at the frame rail allows for the best weight distribution.



CUSTOMIZABLE TO MEET YOUR UNIQUE NEEDS.

Enhanced Wireless Controls

Updated belly pack and handheld remotes feature two-way data transmission, including active pressure and flow information for the water and the ability to monitor and display essential information like the hose footage being paid out or retracted. Our wireless controls also allow:

- Extensive operation with greater control away from the main operator station
- Multiple control functions including hose reel control, boom control, e-stop and more



Choose from a wide variety of precision-engineered enhancements, including:

- Cold weather recirculation system
- Debris flush-out system
- Safety warning lighting packages
- Hydro-excavation kit
- Work-zone lighting packages
- Low water alarm
- Debris splash shield
- Digital debris body and water level indicators
- Expanded storage options including a back of cab toolbox
- Turn and hose reel mounted cameras

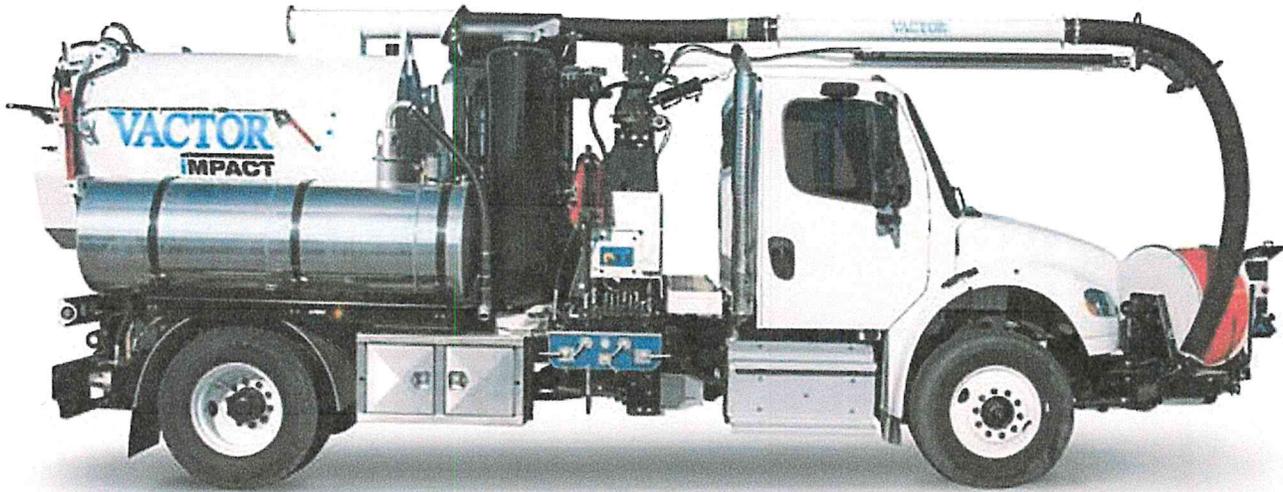


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iMPACT today.**

Visit Vactor.com to learn more.

THE NEW VACTOR iMPACT.

Another innovation from the industry leader.



Powerful enough to tackle virtually any job a big machine can do, the iMPACT is a more affordable option that delivers greater economy and maneuverability. Ideal for municipalities needing a fast response, emergency back-up vehicle, small communities looking to keep up regular maintenance and storm water line problems, and contractors and utilities who prioritize versatility and a lower purchase price.

Vactor has proudly been dedicated to continuously improving combination sewer cleaners for over fifty years, and the compact and powerful iMPACT is just one of the highly customized solutions we offer.

Coe Equipment Inc.

5953 Cherry Street, Rochester, IL 62563 ■ P. 217.498.7200 ■ F. 217.498.7205 ■ www.coe-equipment.com

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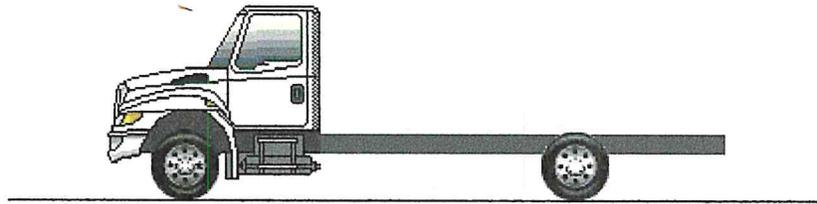
vactor.com

Vactor Manufacturing, Inc. • 1621 South Illinois Street • Streator, IL 61364 USA
Phone 815.672.3171 • Fax 815.672.2779

Specifications subject to change without notice. Some product shown with optional equipment. Vactor®, Jet Rodder®, and IntuiTouch® are registered trademarks of Vactor Manufacturing. This product may be covered by one or more United States Patents and/or pending applications. Vactor is a subsidiary of Federal Signal Corp. Federal Signal is listed in the NYSE by the symbol FSS.

Prepared For:
Vactor/Guzzler Mfg., Inc.
Greg Grant
1621 South Illinois St.
Streator, IL 61364-
(813)672 - 3171
Reference ID: MSIS300A2024.0

Presented By:
SOUTHLAND TRANSPORTATION GROUP
Reynolds Boyd
200 OXMOOR BOULEVARD
HOMEWOOD AL 35209 -
(205)942-6226



Model Profile
2024 MV607 SBA (MV607)

AXLE CONFIG:	4X2
APPLICATION:	Sewer Vac
MISSION:	Requested GVWR: 25999. Calc. GVWR: 25999. Calc. GCWR: 50000
DIMENSION:	Wheelbase: 195.00, CA: 127.90, Axle to Frame: 75.00
ENGINE, DIESEL:	{Cummins L9 300} EPA 2021, 300HP @ 2200 RPM, 860 lb-ft Torque @ 1200 RPM, 2200 RPM Governed Speed, 300 Peak HP (Max)
TRANSMISSION, AUTOMATIC:	{Allison 3500 RDS} 6th Generation Controls, Wide Ratio, 6-Speed with Double Overdrive, with PTO Provision, Less Retarder, Includes Oil Level Sensor, with 80,000-lb GVW and GCW Max, On/Off Highway
CLUTCH:	Omit Item (Clutch & Control)
AXLE, FRONT NON-DRIVING:	{Meritor MFS-12-122A} I-Beam Type, 12,000-lb Capacity
AXLE, REAR, SINGLE:	{Dana Spicer S140} Single Reduction, 21,000-lb Capacity, 190 Wheel Ends Gear Ratio: 5.29
CAB:	Conventional, Day Cab
TIRE, FRONT:	(2) 11R22.5 Load Range G HSR2 (CONTINENTAL), 498 rev/mile, 75 MPH, All-Position
TIRE, REAR:	(4) 11R22.5 Load Range G HDR2+ (CONTINENTAL), 491 rev/mile, 75 MPH, Drive
SUSPENSION, REAR, SINGLE:	23,500-lb Capacity, Vari-Rate Springs, with 4500-lb Capacity Auxiliary Rubber Springs
PAINT:	Cab schematic 100WP Location 1: 9219, Winter White (Std) Chassis schematic N/A

<u>Code</u>	<u>Description</u>
MV60700	Base Chassis, Model MV607 SBA with 195.00 Wheelbase, 127.90 CA, and 75.00 Axle to Frame.
1ANA	AXLE CONFIGURATION {Navistar} 4x2
	<u>Notes</u> : Pricing may change if axle configuration is changed.
1CAE	FRAME RAILS Heat Treated Alloy Steel (120,000 PSI Yield); 10.125" x 3.580" x 0.312" (257.2mm x 90.9mm x 8.0mm); 460.0" (11684mm) Maximum OAL
1LLK	BUMPER, FRONT Omit Item
1MEJ	FRAME, SPECIAL EFFECTS Dimple on Left and Right Top Flange of Frame Rail to Reference Rear Axle Centerline
1WDS	FRAME EXTENSION, FRONT Integral; 20" In Front of Grille
1WEH	WHEELBASE RANGE 134" (340cm) Through and Including 197" (500cm)
2ASC	AXLE, FRONT NON-DRIVING {Meritor MFS-12-122A} I-Beam Type, 12,000-lb Capacity
3ADC	SUSPENSION, FRONT, SPRING Parabolic Taper Leaf, Shackle Type, 12,000-lb Capacity, with Shock Absorbers
	<u>Includes</u> : SPRING PINS Rubber Bushings, Maintenance-Free
4091	BRAKE SYSTEM, AIR Dual System for Straight Truck Applications
	<u>Includes</u> : BRAKE LINES Color and Size Coded Nylon : DRAIN VALVE Twist-Type : GAUGE, AIR PRESSURE (2) Air 1 and Air 2 Gauges; Located in Instrument Cluster : PARKING BRAKE CONTROL Yellow Knob, Located on Instrument Panel : PARKING BRAKE VALVE For Truck : QUICK RELEASE VALVE On Rear Axle for Spring Brake Release: 1 for 4x2, 2 for 6x4 : SPRING BRAKE MODULATOR VALVE R-7 for 4x2, SR-7 with relay valve for 6x4/8x6
4722	DRAIN VALVE {Bendix DV-2} Automatic, with Heater, for Air Tank
4AZJ	AIR BRAKE ABS {Bendix AntiLock Brake System} 4-Channel (4 Sensor/4 Modulator) Full Vehicle Wheel Control System, with Automatic Traction Control
4EDN	AIR DRYER {Bendix AD-9SI} with Heater, Includes Safety Valve
4EXP	BRAKE CHAMBERS, FRONT AXLE {Bendix} 20 SqiN
4EXU	BRAKE CHAMBERS, REAR AXLE {Bendix EverSure} 30/30 SqiN Spring Brake
4GBM	BRAKE, PARKING Manual Push-Pull Pneumatic Parking Brake
4LAG	SLACK ADJUSTERS, FRONT {Gunitite} Automatic
4LGG	SLACK ADJUSTERS, REAR {Gunitite} Automatic
4SPA	AIR COMPRESSOR {Cummins} 18.7 CFM
4VLE	AIR DRYER LOCATION Mounted Inside Engine Compartment, Right Side
4XDC	BRAKES, FRONT {Meritor 15X4 Q-PLUS CAST} Air S-Cam Type, Cast Spider, Fabricated Shoe, Double Anchor Pin, Size 15" X 4", 13,200-lb Capacity
4XDR	BRAKES, REAR {Meritor 16.5X7 Q-PLUS CAST} Air S-Cam Type, Cast Spider, Fabricated Shoe, Double Anchor Pin, Size 16.5" X 7", 23,000-lb Capacity per Axle
4XEZ	AIR TANK LOCATION (2) Mounted Between the Rails, Back of Cab, One on Each Side, Parallel to Rails

<u>Code</u>	<u>Description</u>
5708	STEERING COLUMN Tilting
5CAW	STEERING WHEEL 4-Spoke; 18" Dia., Black
5PSA	STEERING GEAR {Sheppard M100} Power
6DGB	DRIVELINE SYSTEM {Dana Spicer} SPL140, for 4x2/6x2
7BEU	AFTERTREATMENT COVER Aluminum
7BLW	EXHAUST SYSTEM Horizontal Aftertreatment System, Frame Mounted Right Side Under Cab, for Single Vertical Tail Pipe, Frame Mounted Right Side Back of Cab
7SCP	ENGINE EXHAUST BRAKE for Cummins ISB/B6.7/ISL/L9 Engine with Variable Vane Turbo Charger
7WBA	TAIL PIPE (1) Turnback Type, Bright
7WBS	MUFFLER/TAIL PIPE GUARD (1) Bright Stainless Steel
7WCM	EXHAUST HEIGHT 8' 10"
7WZX	SWITCH, FOR EXHAUST 3 Position, Momentary, Lighted Momentary, ON/CANCEL, Center Stable, INHIBIT REGEN, Mounted in IP Inhibits Diesel Particulate Filter Regeneration When Switch is Moved to ON While Engine is Running, Resets When Ignition is Turned OFF
8000	ELECTRICAL SYSTEM 12-Volt, Standard Equipment
	<u>Includes</u>
	: DATA LINK CONNECTOR For Vehicle Programming and Diagnostics In Cab
	: HAZARD SWITCH Push On/Push Off, Located on Instrument Panel to Right of Steering Wheel
	: HEADLIGHT DIMMER SWITCH Integral with Turn Signal Lever
	: PARKING LIGHT Integral with Front Turn Signal and Rear Tail Light
	: STARTER SWITCH Electric, Key Operated
	: STOP, TURN, TAIL & B/U LIGHTS Dual, Rear, Combination with Reflector
	: TURN SIGNAL SWITCH Self-Cancelling for Trucks, Manual Cancelling for Tractors, with Lane Change Feature
	: TURN SIGNALS, FRONT Includes Reflectors and Auxiliary Side Turn Signals, Solid State Flashers; Flush Mounted
	: WINDSHIELD WIPER SWITCH 2-Speed with Wash and Intermittent Feature (5 Pre-Set Delays), Integral with Turn Signal Lever
	: WINDSHIELD WIPERS Single Motor, Electric, Cowl Mounted
	: WIRING, CHASSIS Color Coded and Continuously Numbered
8GXD	ALTERNATOR {Leece-Neville AVI160P2013} Brush Type, 12 Volt, 160 Amp Capacity, Pad Mount, with Remote Sense
8HAB	BODY BUILDER WIRING Back of Day Cab at Left Frame or Under Sleeper, Extended or Crew Cab at Left Frame; Includes Sealed Connectors for Tail/Amber Turn/Marker/ Backup/Accessory Power/Ground and Sealed Connector for Stop/Turn
8MSG	BATTERY SYSTEM {Fleetrite} Maintenance-Free, (3) 12-Volt 1980CCA Total, Top Threaded Stud
8RMZ	SPEAKERS (2) 6.5" Dual Cone Mounted in Both Doors, (2) 5.25" Dual Cone Mounted in Both B-Pillars
8RPB	RADIO, AUXILIARY CONTROLS Mounted in Steering Wheel, Radio Function Control Switch, Includes Volume Up/Down, Mute, Forward/Back and Bluetooth Answer/Disconnect
8RPR	ANTENNA for Increased Roof Clearance Applications
8RPS	RADIO AM/FM/WB/Clock/Bluetooth/USB Input/Auxiliary Input
8THB	BACK-UP ALARM Electric, 102 dBA
8VBE	HORN, ELECTRIC (1) Trumpet Style

<u>Code</u>	<u>Description</u>
8WGL	WINDSHIELD WIPER SPD CONTROL Force Wipers to Slowest Intermittent Speed When Park Brake Set and Wipers Left on for a Predetermined Time
8WPZ	TEST EXTERIOR LIGHTS Pre-Trip Inspection will Cycle all Exterior Lamps Except Back-up Lights
8WRB	HEADLIGHTS ON W/WIPERS Headlights Will Automatically Turn on if Windshield Wipers are turned on
8WWJ	INDICATOR, LOW COOLANT LEVEL with Audible Alarm
8WXD	ALARM, PARKING BRAKE Electric Horn Sounds in Repetitive Manner When Vehicle Park Brake is "NOT" Set, with Ignition "OFF" and any Door Opened
8WXG	STARTING MOTOR {Mitsubishi Electric Automotive America 105P} 12-Volt, with Soft-Start
8XAH	CIRCUIT BREAKERS Manual-Reset (Main Panel) SAE Type III with Trip Indicators, Replaces All Fuses
8XDU	BATTERY BOX Steel, with Aluminum Cover, 14" Wide, 2-3 Battery Capacity, Mounted Left Side Under Cab
8XHD	BATTERY DISCONNECT SWITCH 300 Amp, Disconnects Charging Circuits, Locks with Padlock, Cab Mounted
8XHN	HORN, AIR Single Trumpet, Black, with Lanyard Pull Cord
8XHR	POWER SOURCE, ADDITIONAL Auxiliary Power Outlet (APO) with USB Port, Located in the Instrument Panel
8XNZ	HEADLIGHTS Halogen, with Daytime Running Lights
9AAB	LOGOS EXTERIOR Model Badges
9AAE	LOGOS EXTERIOR, ENGINE Badges
9HAN	INSULATION, UNDER HOOD for Sound Abatement
9HBN	INSULATION, SPLASH PANELS for Sound Abatement
9HCZ	GRILLE Stationary, Molded in Black, with Chrome Surround
9WBN	FENDER EXTENSIONS Painted
9WBY	FRONT END Partially Tilting, Fiberglass, with Three Piece Construction, Dual Air Intakes
10060	PAINTE SCHEMATIC, PT-1 Single Color, Design 100
	<u>Includes</u> : PAINT SCHEMATIC ID LETTERS "WP"
10761	PAINTE TYPE Base Coat/Clear Coat, 1-2 Tone
10AGB	COMMUNICATIONS MODULE Telematics Device with Over the Air Programming; Includes Five Year Data Plan and International 360
10BAE	LABEL, DEF "DEF ONLY"
10SLV	PROMOTIONAL PACKAGE Government Silver Package
10WGD	SPECIAL RATING, GVWR Limited to 25,999-lb GVWR
11001	CLUTCH Omit Item (Clutch & Control)
12703	ANTI-FREEZE Red, Extended Life Coolant; To -40 Degrees F/ -40 Degrees C, Freeze Protection
12849	BLOCK HEATER, ENGINE 120V/1000W, for Cummins ISB/B6.7/ISL/L9 Engines
	<u>Includes</u> : BLOCK HEATER SOCKET Receptacle Type; Mounted below Drivers Door
12ESL	ENGINE, DIESEL {Cummins L9 300} EPA 2021, 300HP @ 2200 RPM, 860 lb-ft Torque @ 1200 RPM, 2200 RPM Governed Speed, 300 Peak HP (Max)

<u>Code</u>	<u>Description</u>
12THT	FAN DRIVE {Horton Drivemaster} Two-Speed Type, Direct Drive, with Residual Torque Device for Disengaged Fan Speed <u>Includes</u> : FAN Nylon
12VCE	AIR CLEANER Single Element, Fire Retardant Media
12VJC	EMISSION, CALENDAR YEAR {Cummins L9} EPA, OBD and GHG Certified for Calendar Year 2022
12VXT	THROTTLE, HAND CONTROL Engine Speed Control; Electronic, Stationary, Variable Speed; Mounted on Steering Wheel
12WBR	FAN OVERRIDE Manual; with Electric Switch on Instrument Panel, (Fan On with Switch On)
12WUN	ENGINE WATER COOLER Auxiliary, Supply and Return Connections for Customer Installed Cooler Package, Located Inside Right Frame Rail Under Cab
12WZJ	CARB IDLE COMPLIANCE Low NOx Idle Engine, Complies with California Clean Air Regulations; Includes "Certified Clean Idle" Decal located on Driver Door
12WZY	CARB EMISSION WARR COMPLIANCE for Cummins L9 Engines
12XBM	ENGINE CONTROL, REMOTE MOUNTED Provision for; Includes Wiring for Body Builder Installation of PTO Controls and Starter Lockout, with Ignition Switch Control, for Cummins B6.7 and L9 Engines
12XCA	RADIATOR Aluminum, 3-Row, Down Flow, Front to Back System, 837 SqIn Louvered, with 477 SqIn Charge Air Cooler, Includes In-Tank Oil Cooler
13BDR	TRANSMISSION, AUTOMATIC {Allison 3500 RDS} 6th Generation Controls, Wide Ratio, 6-Speed with Double Overdrive, with PTO Provision, Less Retarder, Includes Oil Level Sensor, with 80,000-lb GVW and GCW Max, On/Off Highway
13WET	TRANSMISSION SHIFT CONTROL Column Mounted Stalk Shifter, Not for Use with Allison 1000 & 2000 Series Transmission
13WLP	TRANSMISSION OIL Synthetic; 29 thru 42 Pints
13WUH	ALLISON SPARE INPUT/OUTPUT for Rugged Duty Series (RDS), Airport Refueler, Sewer Evac, Package Number 150
13WVV	NEUTRAL AT STOP Allison Transmission Shifts to Neutral When Service Brake is Depressed and Vehicle is at Stop; Remains in Neutral Until Service Brake is Released
13WYH	TRANSMISSION TCM LOCATION Located Inside Cab
13WYU	SHIFT CONTROL PARAMETERS {Allison} 3000 or 4000 Series Transmissions, Performance Programming
13XAM	PTO LOCATION Dual, Customer Intends to Install PTO at Left and/or Right Side of Transmission
14AKC	AXLE, REAR, SINGLE {Dana Spicer S140} Single Reduction, 21,000-lb Capacity, 190 Wheel Ends . Gear Ratio: 5.29
14VAH	SUSPENSION, REAR, SINGLE 23,500-lb Capacity, Vari-Rate Springs, with 4500-lb Capacity Auxiliary Rubber Springs
15LMN	FUEL/WATER SEPARATOR {Racor 400 Series,} 12 VDC Electric Heater, Includes Pre-Heater, with Primer Pump, Includes Water-in-Fuel Sensor
15LRE	LOCATION FUEL/WATER SEPARATOR Mounted Under Hood, Left Side, Above Front Axle
15SXX	FUEL TANK Top Draw, Polished Aluminum, 24" Dia, 50 US Gal (189L), Mounted Left Side, Under Cab
15WCN	DEF TANK 5 US Gal (19L) Capacity, Frame Mounted Outside Left Rail, Under Cab
15WCS	FUEL COOLER Less Thermostat; Mounted in Front of Cooling Module

<u>Code</u>	<u>Description</u>
15WTM	AUXILIARY FUEL DRAW TUBE Located at Auxiliary Port on Fuel Tank
16030	CAB Conventional, Day Cab <u>Includes</u> : CLEARANCE/MARKER LIGHTS (5) Flush Mounted
16BAM	AIR CONDITIONER with Integral Heater and Defroster
16GEG	GAUGE CLUSTER Premium Level; English with English Electronic Speedometer <u>Includes</u> : GAUGE CLUSTER DISPLAY: Base Level (3" Monochromatic Display), Premium Level (5" LCD Color Display); Odometer, Voltmeter, Diagnostic Messages, Gear Indicator, Trip Odometer, Total Engine Hours, Trip Hours, MPG, Distance to Empty/Refill for : GAUGE CLUSTER Speedometer, Tachometer, Engine Coolant Temp, Fuel Gauge, DEF Gauge, Oil Pressure Gauge, Primary and Secondary Air Pressure or Auxiliary Air Pressure (if Air Equipped) : WARNING SYSTEM Low Fuel, Low DEF, Low Oil Pressure, High Engine Coolant Temp, Low Battery Voltage (Visual and Audible), Low Air Pressure, Primary and Secondary (if Air Equipped)
16GHU	GRAB HANDLE, CAB INTERIOR (2) Safety Yellow
16HCH	SEATBELT WARNING LIGHT IND. Mounted in Dash, Will Flash when Park Brake is Disengaged and Driver Seatbelt Unfastened, Audible Alarm to Remind Driver to Fasten Seatbelt
16HKT	IP CLUSTER DISPLAY On Board Diagnostics Display of Fault Codes in Gauge Cluster
16HLU	VIRTUAL GA, OIL TEMP,AUTO XMSN for Allison Transmission, Requires Premium Cluster
16JNT	SEAT, DRIVER {National 2000} Air Suspension, High Back with Integral Headrest, Vinyl, Isolator, 1 Chamber Lumbar, with 2 Position Front Cushion Adjust, -3 to +14 Degree Angle Back Adjust
16RPV	SEAT, PASSENGER {National 2000} Air Suspension, High Back with Integral Headrest, Vinyl, Isolated, 1 Chamber Lumbar, 2 Position Front Cushion Adjustment, -3 to +14 Degree Back Adjust
16SGH	GRAB HANDLE, EXTERIOR (2) Chrome, for Cab Entry, (1) Towel Bar Type, with Anti-Slip Rubber Inserts Mounted Left Side at B-Pillar, (1) Towel Bar Type Mounted Right Side on Vertical Exhaust
16SNU	MIRRORS (2) Aero Pedestal, Power Adjust, Heated, Bright Heads, Black Arms, 6.5" x 14" Flat Glass, Includes 6.5" x 6" Convex Mirrors, for 102" Load Width <u>Notes</u> : Mirror Dimensions are Rounded to the Nearest 0.5"
16SNX	MIRROR, CONVEX, LOOK DOWN Right Side, Bright, 6" x 10.5"
16VKK	CAB INTERIOR TRIM Diamond, for Day Cab <u>Includes</u> : CONSOLE, OVERHEAD Molded Plastic with Dual Storage Pockets, Retainer Nets and CB Radio Pocket; Located Above Driver and Passenger : DOME LIGHT, CAB Door Activated and Push On-Off at Light Lens, Timed Theater Dimming, Reading Lights; Integral to Overhead Console, Center Mounted : SUN VISOR (3) Padded Vinyl; 2 Moveable (Front-to-Side) Primary Visors, Driver Side with Vanity Mirror and Toll Ticket Strap, plus 1 Auxiliary Visor (Front Only), Driver Side
16VLK	CAB REAR SUSPENSION Air Suspension, for Mid Cab Height
16VZB	SEAT BELT COMFORT CLIP
16WBY	ARM REST, RIGHT, DRIVER SEAT
16WBZ	ARM REST, LEFT, PASSENGER SEAT
16WJU	WINDOW, POWER (2) and Power Door Locks, Left and Right Doors, Includes Express Down Feature

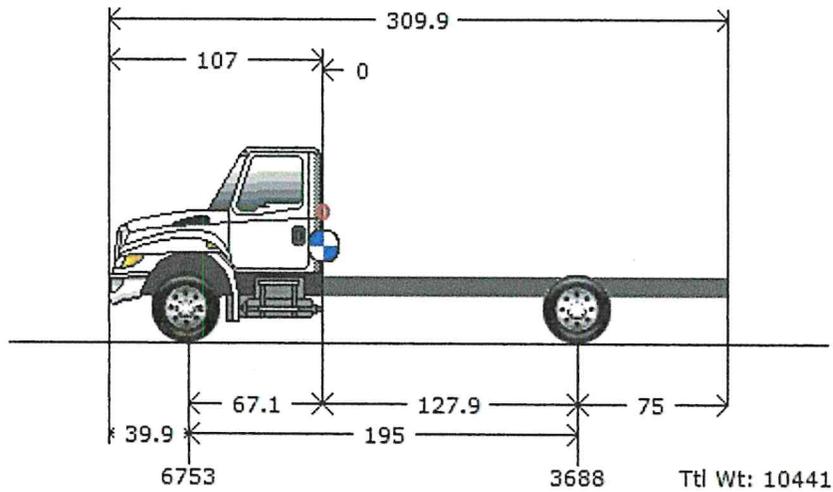
<u>Code</u>	<u>Description</u>
16WLS	FRESH AIR FILTER Attached to Air Intake Cover on Cowl Tray in Front of Windshield Under Hood
16XDP	TELEMATICS BRACKET with Universal Mount, 1.5" Ball Mount Size, for Customer Supplied Telematics Device, Mounted in Auxiliary Gauge Location in Flat Panel, Includes (1) APO and (1) USB Port
16XJN	INSTRUMENT PANEL Flat Panel
16ZBT	ACCESS, CAB Steel, Driver & Passenger Sides, Two Steps per Door, for use with Day Cab and Extended Cab
27DWR	WHEELS, FRONT {Accuride 43644} DISC; 22.5x8.25 Rims, Standard Polish Aluminum, 10-Stud, 285.75mm BC, Hub-Piloted, Flanged Nut, with Steel Hubs
28DWR	WHEELS, REAR {Accuride 43644} DUAL DISC; 22.5x8.25 Rims, Standard Polish Aluminum, 10-Stud, 285.75mm BC, Hub-Piloted, Flanged Nut, with Steel Hubs
7372135415	(2) TIRE, FRONT 11R22.5 Load Range G HSR2 (CONTINENTAL), 498 rev/mile, 75 MPH, All-Position
7372135444	(4) TIRE, REAR 11R22.5 Load Range G HDR2+ (CONTINENTAL), 491 rev/mile, 75 MPH, Drive

Services Section:

40129	WARRANTY Standard for MV Series, Effective with Vehicles Built July 1, 2017 or Later, CTS-2020A
40RBE	SERVICES, TOWING {Navistar} Service Call to 12-Month/Unlimited Mileage to the Nearest Navistar Dealer for Navistar Warrantable Failure as Contract Defined; Includes Engine Failure if Supplier Declines Tow Coverage & ESC Supplied thru Navistar; \$550 (USA) Maximum Benefit per Incident

Body/Allied Equipment

<u>Code</u>	<u>Description</u>
Goods Purchased	
<u>Code</u>	<u>Description</u>
001	Set Parameters to Model Required Settings



Graphics are provided as visual aids only and are not intended to represent the actual scale, shape, or color of the truck or its components. All weights are represented in lbs.

Truck			Body/Trailer			Chassis/Empty Weights	
Bumper to Axle	(BA)	39.9	Body Length	(BL)	N/A	Tractor Front Axle:	6,753
Wheelbase	(WB)	195.00				Tractor Rear Axle:	3,688
Axle to Frame	(AF)	75.00					
Axle to Back Cab	(ABC)	67.1					
Cab to Axle	(CA)	127.9					
Usable CA		127.9					
CA Reduction Adjustment		0.00					
Fuel-Diesel(Gals)		0					
DEF(Gals)		0					

Before the Cab			Cab			Payloads Chassis			Body			After the Body		
#	Weight	CG	#	Weight	CG	#	Weight	CG	#	Weight	CG	#	Weight	CG
						1	0	1						

Loads	
Payload Weight:	0
Driver:	0
Fuel-Diesel(Lbs):	0
DEF(Lbs):	0

Weight Distribution	
Total Front Axle:	6,753
Total Rear Axle:	3,688
Total Weight:	10,441

Weights and clearances in this proposal are estimates only. Navistar, Inc. is not liable for any consequences resulting from any differences between the estimated weights and clearances and the actual manufactured weights and clearances.

Weight Distribution

All weights are represented in lbs.

	<u>Truck</u>		
	Front	Rear	Total
<u>Chassis Weight</u>			
Chassis Weight:	6,753	3,688	10,441
Fuel:	0	0	0
DEF:	0	0	0
(Curb Weight):	6,753	3,688	10,441

Loads

Payloads:	0	0	0
Driver:	0	0	0
Axle Totals (Gross Weight):	6,753	3,688	10,441

Weight Ratings

	<u>Truck</u>	
	Front	Rear
Axle(axle capacity)	12,000	21,000
Tire(tire capacity)	12,350	24,700
Suspension(suspension capacity)	12,000	23,500
Spring:	0	
Fed Bridge Law (axle spread):	20,000	20,000
Wheel Combination	Load	Limit
1 - 2	10,441	46,000

Federal Total Vehicle Weight Limit: 80,000

Maximum Gross Vehicle Weight Rating (GVWR) 25,999 - Gross Vehicle Weight(GVW) 10,441 = 15,558 Reserves

Weight Summary

* Distributed weights are within capacity limits

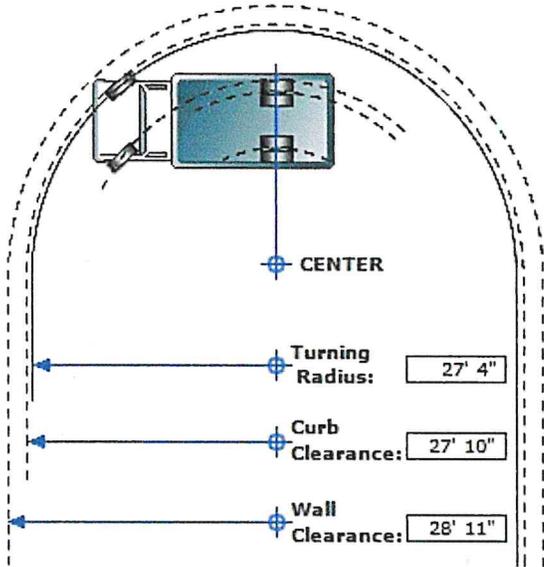
GVWR Component Rating(s)

Ratings	Primary			Adjusted By			GAWR* (lbf)	GVWR** (lbf)
	ATA Class	Feature	Rating (lbf)	ATA Class	Feature	Rating (lbf)		
Front Component Ratings	AXLE, FRONT NON-DRIVING	0002ASC	12000					
	BRAKES, FRONT	0004XDC	13200					
	SUSPENSION, FRONT, SPRING	0003ADC	12000					
	WHEELS, FRONT	0027DW R	14780	TIRE, FRONT	0737213	12350		
Front GAWR							12000	
Rear Component Ratings	BRAKES, REAR	0004XDR	23000					
	BRAKE SYSTEM, AIR	0004091	23000					
	SUSPENSION, REAR, SINGLE	0014VAH	23500					
	WHEELS, REAR	0028DW R	27780	TIRE, REAR	0737213	23360		
	AXLE, REAR, SINGLE	0014AKC	21000					
Rear GAWR							21000	
Overall Vehicle Limitations	SPECIAL RATING, GVWR	0010WG D	25999					
	TRANSMISSION, AUTOMATIC	0013BDR	80000					
GVWR Based on Axle Ratings***								33000
Calculated GVWR								25999

GCWR Component Rating(s)

Ratings	Primary			Adjusted By			GCWR**** (lbf)
	ATA Class	Feature	Rating (lbf)	ATA Class	Feature	Rating (lbf)	
GCWR Component Rating	AXLE, REAR, SINGLE	0014AKC	50000				
	TRANSMISSION, AUTOMATIC	0013BDR	80000				
	ENGINE, DIESEL	0012ESL	80000				
Calculated GCWR							50000

* GAWR (Gross Axle Weight Rating) is the rating capacity of an axle system which include wheels, tires, axles, brakes, springs, and suspensions.
 ** GVWR (Gross Vehicle Weight Rating) is the maximum amount that a loaded vehicle can weight.
 *** GVWR Based on Axle Ratings = Front GAWR + Rear GAWR. Overall vehicle weight limitations are not taken into account.
 **** GCWR (Gross Combined Weight Rating) is the maximum weight of a tractor and trailer.



Series: MV
 Model: MV607
 Description: MV607 SBA
 Model Year: 2024

Calculation Factors

Wheelbase: 195
 Front Axle: 0002ASC
 Description: AXLE, FRONT NON-DRIVING, {Meritor MFS-12-122A} I-Beam Type, 12,000-lb Capacity
 Front Wheel: 0027DWR
 Description: WHEELS, FRONT, {Accuride 43644} DISC; 22.5x8.25 Rims, Standard Polish Aluminum, 10-Stud, 285.75mm BC, Hub-Piloted, Flanged Nut, with Steel Hubs
 Front Tire: 07372135415
 Description: TIRES, 11R22.5 Load Range G HSR2 (CONTINENTAL), 498 rev/mile, 75 MPH, All-Position
 Steering Gear: 0005PSA
 Description: STEERING GEAR, {Sheppard M100} Power

Turning Radius Statistics

General Information

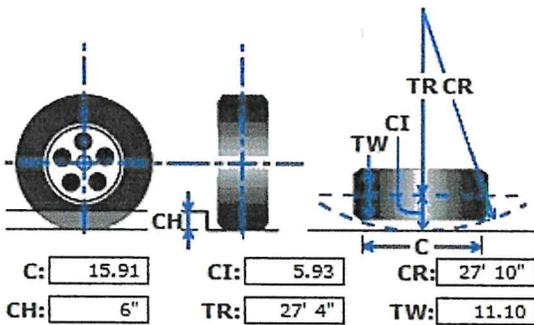
Inside Turn Angle: 50 Degrees
 Radial Overhang: 19

Axle Information

KingPin Inclination: 6.25 Degrees
 KingPin Center: 69

Turning Radius - Curb View

C - Curb Contact Length: 15.91
 CI - Curb Clearance Increment: 5.93
 CR - Curb Clearance Radius: 27'10"
 CH - Curb Height: 6"
 TR - Turning Radius: 27'4"
 TW - Tire Width: 11.10



* All Measurements are in inches, unless otherwise specified.

This information is based on engineering information available at this time. Actual figures may vary. Navistar, Inc. cannot accept liability for consequences due to this variance.

City of Moberly

City Council Agenda Summary

Agenda Number: WS #3.
 Department: Public Utilities
 Date: February 6, 2023

Agenda Item: A Discussion Regarding Moberly State Revolving Fund Applications Submittal To DNR And Authorizing The City Manager To Submit The Applications.

Summary: The City of Moberly is required to submit revolving fund applications for capital projects if the city intends to utilize low interest revolving fund loans to finance any capital projects. Moberly voters approved these improvements, Wastewater & Water system projects. SRF application for the Northwest Regional Lift Station is to extend the project start date requirement to provide adequate time to complete the design and necessary approvals from other organizations that are required. The Logan Street area water distribution system project and the Rollins Street CSO upgrade project are the next priority listed in previous Jacobs engineering studies.

Recommended

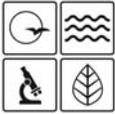
Action: Direct staff to offer a resolution at the next council meeting

Fund Name: N/A

Account Number: N/A

Available Budget \$: N/A

ATTACHMENTS:		Roll Call	Aye	Nay
<input type="checkbox"/> Memo	<input type="checkbox"/> Council Minutes	Mayor		
<input type="checkbox"/> Staff Report	<input type="checkbox"/> Proposed Ordinance	M__ S__ Jeffrey	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Correspondence	<input type="checkbox"/> Proposed Resolution			
<input type="checkbox"/> Bid Tabulation	<input type="checkbox"/> Attorney's Report	Council Member		
<input type="checkbox"/> P/C Recommendation	<input type="checkbox"/> Petition	M__ S__ Brubaker	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> P/C Minutes	<input type="checkbox"/> Contract	M__ S__ Kimmons	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Application	<input type="checkbox"/> Budget Amendment	M__ S__ Lucas	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Citizen	<input type="checkbox"/> Legal Notice	M__ S__ Kyser	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Consultant Report	<input type="checkbox"/> Other _____		Passed	Failed



MISSOURI DEPARTMENT OF NATURAL RESOURCES
WATER PROTECTION PROGRAM
DRINKING WATER STATE REVOLVING FUND LOAN APPLICATION

FOR OFFICE USE ONLY	
DATE RECEIVED	
PROJECT NUMBER	
PRIORITY POINTS	

This application is for a Drinking Water State Revolving Fund Loan described in Missouri Regulation 10 CSR 60-13.020.
Submit to: Missouri Department of Natural Resources, Financial Assistance Center, P.O. Box 176, Jefferson City, MO 65102-0176. Please type or print legibly.

1. APPLICANT INFORMATION

PUBLIC WATER SUPPLY NAME City of Moberly		PUBLIC WATER SUPPLY ID NO. MO2010533	
PUBLIC WATER SUPPLY OWNER City of Moberly		DUNS NO. 080020845	
PUBLIC WATER SUPPLY CONTACT PERSON FOR THIS DRINKING WATER STATE REVOLVING FUND LOAN PROJECT Dana Ulmer		TITLE Utilities Director	
MAILING ADDRESS 101 West Reed Street		EMAIL ADDRESS dulmer@cityofmoberly.com	
CITY Moberly	STATE MO	ZIP CODE + FOUR 65270	COUNTY Randolph
TELEPHONE NUMBER WITH AREA CODE 660-269-7659 Ext.		FAX NUMBER WITH AREA CODE Ext.	

2. ARCHITECTURAL AND ENGINEERING CONSULTANT INFORMATION

CONSULTING FIRM'S NAME Jacobs Engineering Group		CONSULTANT'S NAME	
CONSULTANT MAILING ADDRESS 501 North Broadway		EMAIL ADDRESS tobin.lichti@jacobs.com	
CITY St. Louis	STATE MO	ZIP CODE + FOUR 63102	
CONSULTANT TELEPHONE NUMBER WITH AREA CODE 314-335-4550 Ext.		CONSULTANT FAX NUMBER WITH AREA CODE 314- 335-5141 ?	

3. GENERAL INFORMATION

POPULATION SERVED 13,615	MEDIAN HOUSEHOLD INCOME FOR THE SERVICE AREA 39225	
CURRENT AVERAGE MONTHLY WATER BILL FOR A TYPICAL HOUSEHOLD, PER 5,000 GALLONS 1111111		
ESTIMATED AVERAGE MONTHLY WATER BILL FOR A TYPICAL HOUSEHOLD, PER 5,000 GALLONS, FOLLOWING COMPLETION OF THIS PROJECT 11111111		
ANTICIPATED TERM OF THE LOAN (YEARS)		
EXISTING CUSTOMERS 13615	ESTIMATED CUSTOMERS AT PROJECT COMPLETION 13615	
WHAT IS YOUR COLLECTION DELINQUENCY RATE? .038 percent	ARE YOU CURRENTLY FUNDING DEPRECIATION? <input type="checkbox"/> Yes <input type="checkbox"/> No	
OUTSTANDING DEBT SERVICE \$	ANY DEBT HELD BY USDA RURAL DEVELOPMENT? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
EXISTING ANNUAL DEBT SERVICE \$	WHEN WAS THE LAST TIME USER-FEES WERE REVIEWED? Rate Study underway	
REVENUE LESS (MINUS) OPERATING EXPENSES FOR THE LAST FISCAL YEAR EQUALS = \$		
FROM A FINANCIAL STANDPOINT, DO YOU HAVE A COMBINED WATER AND SEWER SYSTEM? <input type="checkbox"/> Yes <input type="checkbox"/> No		
U.S. CONGRESSIONAL DISTRICT NUMBER	STATE SENATE DISTRICT NUMBER(S)	STATE REPRESENTATIVE DISTRICT NUMBER(S)

4. CERTIFIED OPERATOR AND EMERGENCY OPERATING PLAN

THE APPLICANT HAS PROVIDED:

- Documentation the public water supply has a certified chief operator or expects to have prior to loan award.
- Documentation the public water supply has an emergency operating plan or expects to have prior to loan award.
- Documentation the public water supply has a permit to dispense or expects to have prior to loan award.

5. PROJECT DESCRIPTION

DESCRIBE THE MAJOR COMPONENTS OF THE PROJECT (ATTACH A SEPARATE SHEET, IF NECESSARY)

6. PROJECT COST INFORMATION

ESTIMATED PROJECT COST BREAKDOWN		BREAKDOWN OF STATE REVOLVING FUND ELIGIBLE COST PER DESIGNATED CATEGORIES:	
		Treatment	\$
Administrative/Legal	\$	Transmission and Distribution	\$
Engineering Planning and Design	\$	Storage	\$
Construction Engineering Services	\$	Source	\$
Engineering Inspection	\$	Land Acquisition	\$
Construction	\$	Purchasing of Other Systems	\$
Other Costs (labs, upgrades, automation, etc.) Specify:	\$	Refinancing	\$
Interest During Construction	\$	Other Specify:	\$
Contingency (10 percent of Construction)	\$	PROJECTED REPAYMENT SOURCE	
Total Project Costs	\$	<input type="checkbox"/> User Fees <input type="checkbox"/> General Funds <input type="checkbox"/> Sales <input type="checkbox"/> Other (Please, describe):	
Funding Sources other than the Drinking Water State Revolving Fund (specify whether loan or grant): If you list grant funding, please attach a copy of the grant approval letter, otherwise do not assume any grant funding.			
•	\$		
•	\$		
BALANCE (Total project costs minus other funding sources)	\$		
Cost of Issuance (Estimate 5% of Balance)	\$		
AMOUNT OF LOAN REQUEST (Balance plus Cost of Issuance)	\$	IS THE SOURCE OF REPAYMENT IN PLACE AND AVAILABLE AT THIS TIME? (CHECK ONE) <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, specify:	

7. ANTICIPATED DEBT STRUCTURE/SECURITY

<input type="checkbox"/> General Obligation Bonds		<input type="checkbox"/> Revenue Bonds	
AMOUNT OF BOND \$	HAVE YOU PASSED BONDS FOR THIS PROJECT? (CHECK ONE) <input type="checkbox"/> Yes – include a copy of the bond language and certified election results <input type="checkbox"/> No		

8. PROJECT SCHEDULE (READINESS TO PROCEED-SEE ATTACHED READINESS TO PROCEED AND DISTRIBUTION FUNDS CRITERIA FACT SHEET)

MILESTONE	ANTICIPATED DATE
A. Facility plan submittal (See attached Facility Plan Submittal Checklist when submitting the facility plan)	
B. All other funding is secured (if necessary, bonds are voted)	
C. Engineering plans and specifications submittal	
D. Construction start date	

9. PRIORITY POINTS CRITERIA (SEE ATTACHED MISSOURI WATER STATE REVOLVING FUND PRIORITY POINTS CRITERIA FACT SHEET)

NOTE: Check all items listed below that apply to the project and describe in the space provided. Attach any supporting documentation (e.g., copy of the latest sanitary survey, inspection, copy of order, agreement, permit or other enforceable document, etc.) and specifically cross-reference it in the narrative description. The department will consider only supporting documentation described on the application form.

SAFE DRINKING WATER ACT COMPLIANCE (Anticipated compliance benefits of the proposed project.)

THIS PROJECT WILL (CHECK ALL THAT APPLY):

- Correct persistent violations of maximum contaminant levels or treatment performance criteria for acute risk contaminants (such as coliform, turbidity or nitrate) within the past 36 months.
- Correct persistent violations of treatment technique requirements.
- Correct persistent violations of maximum contaminant levels for nonacute risk primary contaminants occurring within the past 36 months.
- Correct persistent violations of maximum contaminant levels for secondary contaminants occurring within the past 36 months.
- Enable the public water supply to comply with certain anticipated federal regulations.
- Enable the public water supply to comply with an administrative order, bilateral compliance agreement, permit or other enforceable document issued by the Missouri Department of Natural Resources.

DESCRIPTION OR ADDITIONAL COMMENTS:

PUBLIC HEALTH (Anticipated public health benefits of the proposed project.)

- Existing public water systems only: At least 51 percent of the project will address problems causing a waterborne disease outbreak attributable to the public water supply by the Missouri Department of Health and Senior Services.
- Existing public water systems only: The public water supply can document its inability consistently to maintain >35 psi as a normal working pressure in the distribution system.
- Existing public water systems only: The public water supply can document its inability consistently to maintain >20 psi at all service connections.
- Private or noncommunity wells or sources in the project service area are unable to consistently provide an adequate amount of potable water for general household purposes and at least 51 percent of the project addresses this need.

PUBLIC WATER SYSTEM INFRASTRUCTURE IMPROVEMENTS (Anticipated infrastructure benefits of the proposed project.)

THIS PROJECT WILL (CHECK ALL THAT APPLY):

- Provide a public water supply with a backup well or backup interconnection with another public water supply.
- Address problem(s) with improper well construction.
- Address unaccounted for water that exceeds 10 percent of the drinking water produced by the system, and the loss is due to leaking or broken water lines.
- Provide necessary modifications to a distribution system anticipated to exceed design capacity or useful life within the next five years.
- Address a demonstrated need to replace faulty pipes or substandard pipe materials.
- Address a demonstrated need for distribution system valves and flushing devices.
- Address a demonstrated need for looping of water mains.
- Address an inability to maintain a disinfectant residual at all points in the distribution system.
- Address water storage facilities in poor condition not related to inadequate maintenance.
- Provide the public water supply with a storage capacity equal to one day's average use or provide the public water supply with adequate standby power.
- Provide necessary modifications to a source or treatment facility anticipated to exceed design capacity or useful life within the next five years.
- Address significant degradation of the quality of raw water supply.
- Address significant degradation of the quality of finished water in storage.
- Enable the public water supply to meet existing state requirements for the treatment or storage of waste residues generated by the water treatment plant.
- Enable repair or replacement of treatment facilities for required disinfection or turbidity removal that are severely deteriorated beyond the useful life of the facility.
- The facility's source is vulnerable to natural disasters (such as flood or drought) or contamination.
- The facility's treatment plan is vulnerable to natural disasters (such as flood or drought) or contamination.
- The facility is located in a department-approved wellhead protection area.

ADDITIONAL PRIORITY POINT CATEGORIES

THIS PROJECT WILL (CHECK ALL THAT APPLY):

- At least 51 percent of the project cost is for repair or replacing an existing public water system damaged or destroyed by a natural disaster. (Note: Documentation must be submitted along with a statement that adequate state or federal disaster relief is not available).
- Project will result in interconnections with other systems affected by drought or for upgrades to existing systems to address drought related problems
- Project will result in interconnections with other systems prone to flooding or for upgrades to existing systems to address flood related problems
- Provide necessary upgrades to facilities of a primary water system to continue or expand services as a regional water supplier. Name of system(s): _____
- Result in the permanent supply interconnection of two or more existing public water systems. (This includes new water systems that allow small water systems within their boundaries to consolidate).
Name of system(s): _____
- Result in a regional management system responsible for the day-to-day operation of the water system.
Name of the system(s): _____
- Enable the public water supply to enhance the water system security.
- At least 50 percent of the applicant's governing board has received training related to the management and operation of drinking water infrastructure. Please provide documentation of the training and a list of members who received the training.
- The public water supply has completed an asset inventory.

DESCRIPTION OR ADDITIONAL COMMENTS

CERTIFICATION

The undersigned representative certifies the information submitted in this application is true and correct to the best of his or her knowledge and that he or she is authorized to sign and submit this application. The applicant agrees, if a loan is awarded on the basis of this application, to comply with all applicable rules and regulations of the Department of Natural Resources and the terms and conditions of the loan agreement. Furthermore, the applicant meets the requirements of 10 CSR 60-3.030 Technical, Managerial, and Financial (TMF) Capacity or will meet these requirements upon completion of the project. For more information regarding TMF Capacity, please contact the department's Financial Assistance Center at 573-751-1192.

Incomplete applications will be returned.

SIGNATURE OF AUTHORIZED REPRESENTATIVE	DATE
NAME AND OFFICIAL TITLE Brian Crane	TELEPHONE NUMBER WITH AREA CODE Ext.

PREPARER'S NAME AND SIGNATURE (IF APPLICABLE)

SIGNATURE OF PREPARER	DATE
NAME AND TITLE Dana Ulmer	TELEPHONE NUMBER WITH AREA CODE 660-269-7659 Ext.

Drinking Water State Revolving Fund Loan Application Instruction for 780-1845

WS #3.

Note: Any funding assistance is subject to all State Revolving Fund requirements. Potential applicants should contact the Missouri Department of Natural Resources' [Financial Assistance Center](#) prior to completing and submitting an application. Please contact the Financial Assistance Center at 573-751-1192 or toll free at 800-361-4827.

1. Print or type the applicant information. Include a street address if available. The applicant 1. is the entity that will receive the loan funds, if awarded. Prior to receiving a loan, the entity must have a DUNS (Data Universal Numbering System) number. The [DUNS number](#) is a nine digit number established and assigned by Dun and Bradstreet Inc., or D&B, to uniquely identify business entities. A DUNS number is available from D&B by telephone at 866-705-5711 or at fedgov.dnb.com/webform. The contact noted on the application should be knowledgeable about the application and able to be contacted during business hours.
2. Include the engineering firm name and the name of the professional engineer working on the project.
3. Show the population of the entire service area. The population served by public water supply will be different from the decennial census population if the project is to serve a portion of the municipality or district. The information included in Section 3 of the application will be used to determine the financial capability of the applicant with respect to the proposed project. Please provide the most accurate information available. Collection delinquency rate is defined as bills that are never collected, not bills that don't get paid by the due date but are eventually collected later.

Show the revenue minus expenses including operation and maintenance, replacement and debt service for the last fiscal year. Please include the beginning and end of the fiscal year if not using the calendar year. Provide the median household income based on the most recent decennial census. The median household income data can be found online at factfinder2.census.gov/faces/nav/jsf/pages/community_facts.xhtml.

Fill in the current rate for a 5,000 gallon user and what the estimated rate will be at project completion.

Provide the U.S. congressional district numbers, state senate and state representative district numbers for the project area.

4. Check the appropriate box if the public water supply has a certified chief operator or an emergency operations plan. Please provide a copy of your permit to dispense. If you do not have a permit to dispense, visit dnr.mo.gov/forms and submit an [application](#) to:

Missouri Department of Natural Resources, Public Drinking Water Branch, P.O. Box 176, Jefferson City, MO 65102-0176

5. Provide a brief project description.
6. Supply the cost estimates for the project. Land acquisition and easements may be eligible for a Drinking Water State Revolving Fund Loan. Please call the department's Financial Assistance Center at 573-751-1192 or 800-361-4827 for additional guidance concerning requirements needed when acquiring land and easements. **NOTE:** Do not assume any grant funds. If you list grant funding, please provide a copy of the grant approval letter.

Provide a cost breakdown by category of need.

State the source of repayment for the loan and if it is in place and available at this time.

7. Provide information about existing or proposed ballot issues. If a bond or tax issue has already been voted, please include the documentation related to the bond election for the project. The documentation should include, at a minimum:

- The minutes and notice of the meeting approving the ordinance/resolution calling the election;
 - The ordinance/resolution calling the election;
 - The notice to the election authority;
 - A copy of the official ballot;
 - Abstract of votes/certification of election results;
 - Affidavit of publication of the notice of election; and
 - The minutes and notice of the meeting approving the results of the election (if applicable).
8. Provide a project schedule that will be used to determine the applicant's readiness to proceed. Please review the Readiness to Proceed and Distribution of Funds Criteria fact sheet.
9. Check all boxes that apply to the proposed project and include descriptions or additional comments as needed. Additional information from these descriptions and a preliminary engineering report will help determine priority.

Note: Please look at the Missouri Drinking Water State Revolving Fund Priority Points Criteria fact sheet to help you to maximize the priority points received for the project. The priority ranking criteria is available at dnr.mo.gov/pubs/pub2362.pdf.

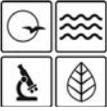
Incomplete Applications will be Returned

- Sign the application and attach any information that will enable the department to prioritize the drinking water needs.
- If funds from the U.S. Department of Agriculture-Rural Development or Department of Economic Development - Community Development Block Grant Program will also be sought, please ensure that information is included with this application.
- Make a copy of the completed application for you records.

Mail the completed application to: Missouri Department of Natural Resources, Financial Assistance Center
P.O. Box 176, Jefferson City, MO 65102-0176

For More Information

Missouri Department of Natural Resources
Water Protection Program
Financial Assistance Center
P.O. Box 176
Jefferson City, MO 65102-0176
800-361-4827 or 573-751-1192
FAX: 573-751-9396
www.dnr.mo.gov/env/wpp/srf/index.html



MISSOURI DEPARTMENT OF NATURAL RESOURCES
 WATER PROTECTION PROGRAM, FINANCIAL ASSISTANCE CENTER
CLEAN WATER STATE REVOLVING FUND LOAN APPLICATION

FOR OFFICE USE ONLY	WS #3.
DATE RECEIVED	
FINANCIAL CODE	
PRIORITY POINTS	

This application is for a Clean Water State Revolving Fund Loan described in 10 CSR 20-4.040.
 Submit application to Missouri Department of Natural Resources, Financial Assistance Center
 P.O. Box 176, Jefferson City, MO 65102-0176. Please type or print legibly.

1. APPLICANT INFORMATION

NAME OF APPLICANT City of Moberly		DUNS NUMBER 080020845	
<input checked="" type="checkbox"/> Incorporated Municipality <input type="checkbox"/> Public Water/Sewer District <input type="checkbox"/> Other:			
APPLICANT TELEPHONE NUMBER WITH AREA CODE (660) 269-7659 Ext.		APPLICANT FAX NUMBER WITH AREA CODE (660) 269-8171	
APPLICANT MAILING ADDRESS 101 West Reed Street		APPLICANT EMAIL ADDRESS dulmer@cityofmoberly.com	
CITY Moberly	STATE MO	ZIP CODE + FOUR 65270	COUNTY Randolph
AUTHORIZED REPRESENTATIVE NAME Brian Crane		AUTHORIZED REPRESENTATIVE TITLE City Manager	
NAME OF PERSON TO CONTACT ABOUT THIS APPLICATION Dana Ulmer		TELEPHONE NUMBER WITH AREA CODE (660) 269-7659 Ext.	

2. ARCHITECTURAL AND ENGINEERING CONSULTANT INFORMATION

CONSULTING FIRM'S NAME Jacobs Engineering Group, Inc		CONSULTANT'S NAME Tobin Lichti	
CONSULTANT MAILING ADDRESS 501 North Broadway		EMAIL ADDRESS tobin.lichti@jacobs.com	
CITY St. Louis	STATE MO	ZIP CODE + FOUR 63102	
CONSULTANT TELEPHONE NUMBER WITH AREA CODE (314) 335-4550 Ext.		CONSULTANT FAX NUMBER WITH AREA CODE (314) 335-5141	

3. GENERAL AND FINANCIAL INFORMATION

POPULATION (CURRENT CENSUS) 13615		POPULATION OF AREA TO BE SERVED 13615	
U.S. CONGRESSIONAL DISTRICT NUMBER(S) 4	STATE SENATE DISTRICT NUMBER(S) 18	STATE REPRESENTATIVE DISTRICT NUMBER(S) 6	
MEDIAN HOUSEHOLD INCOME (CURRENT CENSUS) 39225		NUMBER OF CUSTOMERS 5268	
CURRENT MONTHLY SEWER RATE (for 5,000 gallons) \$ 66.34		PROPOSED MONTHLY SEWER RATE (for 5,000 gallons) \$ 66.34	
SEWER REVENUES FOR MOST RECENT YEAR ENDED \$ 3137984.51		FISCAL YEAR END FOR DATA USED ON APPLICATION 2022	
SEWER OPERATING EXPENDITURES FOR MOST RECENT YEAR \$ 2001277.27			
SYSTEM OUTSTANDING DEBT \$ 4830000		ANY DEBT HELD BY USDA RURAL DEVELOPMENT? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
EXISTING ANNUAL DEBT SERVICE \$ 1060714.08			
WHAT IS YOUR COLLECTION DELINQUENCY RATE? 3.8 %		ARE YOU CURRENTLY FUNDING DEPRECIATION? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
FROM A FINANCIAL STANDPOINT, DO YOU HAVE A COMBINED WATER AND SEWER SYSTEM? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Does the applicant have a fiscal sustainability plan? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No See Form MO 780- 2661 (06-16) <i>A fiscal sustainability plan or certification is not required when the department is purchasing debt obligations (e.g. municipal bonds)</i>			

4. PROPOSED PROJECT INFORMATION

<input type="checkbox"/> Point Source Project		<input type="checkbox"/> Non-Point Source Project	
<input type="checkbox"/> Green Project Components (See Instructions)		Decentralized/Cluster Wastewater System	<input type="checkbox"/>
Design-Build (See Instructions) <input type="checkbox"/> Yes <input type="checkbox"/> No		On-Site System Rehabilitation/Replacement	<input type="checkbox"/>
		Other Non-Point Source Project	<input type="checkbox"/>

Project Description. Include Green Project Components, if applicable (Attach Engineering Report):

1. Divert flow from Holman Rd CSO draining NW Moberly by constructing a regional lift station to consolidate 3 existing lift stations and water treatment backwash flow. Goal is to reduce number combined sewer overflow events.
2. Allow for regional connection from 3 other permitted entities along highway JJ to the west of Moberly. These currently have a history of chronic non-compliance.
3. By expanding the collection system to the west, other on-site systems will have access to sewer collection system and treatment facilities, reducing the overall number of on-site systems in the area.

5. PERMIT INFORMATION

List National Pollutant Discharge Elimination System, or NPDES, Permit Number(s) of Water or Wastewater facilities affected by this project:

MO-0117960	MO-0040827	MO-0035599
M-0045021	MO-0040819	

List Non-Permitted facilities to be eliminated by this project (attach list if necessary):

Name	Population Served	Type and Condition of Facility
On-site systems (multiple)		On-site systems, lagoons

6. PROJECT COST INFORMATION

Cost Estimate Dated:		Cost Breakdown for EPA Designated Categories	
Engineering Planning and Design	\$	I. Secondary Treatment	\$
Engineering (Construction Phase)	\$	II. Advanced Treatment	\$
Engineering Inspection	\$	IIIA. Inflow/Infiltration Correction	\$
Land and Easements	\$	IIIB. Sewer Rehabilitation	\$
Construction	\$	IVA. Collection Sewers	\$
Equipment	\$	IVB. Interceptor Sewers	\$
SRF Closing Costs (estimate 5 percent)	\$	V. Combined Sewer Overflow Correction	\$
Other Costs (specify)	\$	VI. Storm Water	\$
Contingencies	\$	VII. Non-Point Source	\$
Refinancing	\$	X. Effluent Recycling/Reuse Total Project Costs	\$
Total Project Costs	\$	Total Project Costs	\$
Funding Request (this application only)	\$	Funding Committed From Other Sources*	\$

* Documentation committing other funds must be submitted with the application.

7. DEBT INSTRUMENT

A. Bonds	B. Capital Improvements Sales Tax
Date of Bond Election 06/02/2020	Date of Election 06/02/2020
Type of Bond Revenue Bond	Dedicated? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Amount of Bond \$ 18000000	Sunset Provision? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

C. Other (specify):

If a bond or tax issue has already been voted, please provide the following information.

- Affidavit of Publication of the Notice of Election
- Notice to Election Authority
- Ordinance/Resolution Calling the Election
- Copy of the Official Ballot
- Certified Election Results (Abstract of Votes)
- Minutes and Notice of Meeting Approving the Ordinance/Resolution

8. BOARD TRAINING

List any board training(s) related to wastewater utility management that current board members have attended in the last three years:

Missouri Municipal League Annual Meeting, 2019, 2020
 Missouri Rural Water Training
 Tim Bruebaker

9. WATERSHED SUSTAINABILITY INFORMATION

WATER BODY AFFECTED BY PROPOSED PROJECT
 Sugar Creek Lake, Moberly Primary Drinking Water Source

- Check if this is the receiving water body
- Check if the body is classified
- If affected water body is not classified, provide the nearest downstream water body

Will the proposed project address an identified watershed problem? Yes No If yes, provide supporting documentation.

Does the proposed project serve more than one community? Yes No If yes, identify communities:

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Does the proposed project eliminate the need for multiple wastewater treatment facilities? Yes No

Does the proposed project include measures to reduce demand for POTW capacity through water conservation, efficiency, or reuse?
 Yes No If yes, provide supporting documentation.

Does the proposed project include components for reusing or recycling wastewater, stormwater, or subsurface drainage water?
 Yes No If yes, provide supporting documentation.

Does the proposed project include green infrastructure components? Yes No If yes, provide supporting documentation.

Does the proposed project include energy efficiency components? Yes No If yes, provide supporting documentation.

Does the proposed project address groundwater pollution? Yes No

GROUNDWATER IS USED FOR:

--

OTHER PROBLEMS ADDRESSED:

--

10. PROJECT TYPE (CHECK ALL THAT APPLY)

- Combined sewer overflow/sanitary sewer overflow Number of overflows per year: _____
- Wastewater Treatment Facility (specify) Antidegradation report submitted? Yes No N/A
 - New facility
 - Increase capacity/increase level of treatment
 - Rehabilitation/process improvement
- Failing or failed on-site wastewater disposal system Percentage of systems failing: 40%
 - On-site system replacement/rehabilitation
 - Construction of a decentralized wastewater system
 - New collection system
- Collection system rehabilitation primarily to address inflow/infiltration
- New collection system
- Upgrade or expansion of existing collection system
- Storm water detention
- Agricultural Best Management Practice
- Landfill capping, leachate collection, side slope seepage prevention and control system, and monitoring wells

The project addresses groundwater pollution by:

- Addressing problems caused by petroleum storage tanks
- Addressing problems caused by a hazardous waste site participating in the department's Voluntary Cleanup Program
- Addressing water quality problems caused by inadequate landfill leachate collection systems

The project considers aquatic/riparian habitat by:

- Including measures to restore aquatic/riparian habitat and/or to prevent aquatic/riparian degradation

11. PROJECT SCHEDULE REQUIRED BY 10 CSR 20-4.040 (attach compliance schedule if applicable)

Milestone	Anticipated Date
A. Antidegradation Report (any new, expanded or upgraded wastewater treatment)	
B. Engineering Report and Facility Plan complete	
C. All other funding is secured (if necessary, bonds are voted)	
D. Engineering Plans and Specifications complete	
E. Construction start date	
F. Initiation of operations	
G. Project completion date	

12. THE FOLLOWING INFORMATION IS REQUIRED BY 10 CSR 20-4.040 AND MUST BE INCLUDED WITH THIS APPLICATION FORM:

- A project summary that includes the need for the project :
 - The project components including maps or drawings showing the project location
 - A cost estimate including a cost breakdown
- The most recent financial statement/audit

13. SUPPLEMENTAL INFORMATION – DOCUMENTATION MUST BE ATTACHED

WS #3.

- User charge system budgets showing revenues and expenses for the past five years.
- Documentation showing that an inflow/infiltration reduction program has been in place for the fast five years.
- Water or Energy Conservation Plan
- Proposed project is specifically identified in the applicant's master wastewater or capital improvement plan. (Master wastewater or capital improvement plan should be for a period of five or more years).
- Documentation indicating the percentage of failed on-site wastewater disposal systems to be replaced or rehabilitated.
- Governing board has received training related to the management and operation of wastewater infrastructure in the last three years.

CERTIFICATION:

The undersigned representative certifies that the information submitted in this application is true and correct to the best of his/her knowledge and that he/she is authorized to sign and submit this application. The applicant agrees, if a loan is awarded on the basis of this application, to comply with all applicable terms, conditions and procedures of the Department of Natural Resources, the applicable rules and regulations of the Missouri Clean Water Commission and the terms and conditions of the loan agreement.

Incomplete applications will be returned.

SIGNATURE OF AUTHORIZED REPRESENTATIVE	DATE
--	------

NAME AND OFFICIAL TITLE (TYPE OR PRINT) Brian Crane	TELEPHONE NUMBER WITH AREA CODE 660-269-9907 660-269-9907 Ext.
--	--

PREPARER'S NAME AND SIGNATURE (IF APPLICABLE)

SIGNATURE OF PREPARER	DATE
-----------------------	------

NAME AND TITLE (PRINT OR TYPE) Dana Ulmer	TELEPHONE NUMBER WITH AREA CODE 660-269-7659 Ext.
--	--

Clean Water State Revolving Fund Loan Application Instructions for Form 780-1951

Note: Any funding assistance is subject to all State Revolving Fund (SRF) requirements. Potential applicants should contact the Missouri Department of Natural Resources' Financial Assistance Center prior to completing and submitting an application. Please contact the Financial Assistance Center at 573-751-1192 or toll free at 800-361-4827.

1. Print or type the applicant information. Include a street address if available. The applicant is the entity that will receive the loan funds, if awarded. Prior to receiving a loan, the entity must have a DUNS (Data Universal Numbering System) number. The DUNS number is a 9 digit number established and assigned by Dun and Bradstreet Inc., or D&B, to uniquely identify business entities. A DUNS number is available from D&B by telephone at 866-705-5711 or at <http://fedgov.dnb.com/webform>. The contact noted on the application should be knowledgeable about the application and able to be contacted during business hours.
2. Include the engineering firm name and the name of the professional engineer working on the project. Engineering firms must be procured in accordance with RSMo. 8.285 – 8.291.
3. The financial information will be used to determine the applicant's financial capabilities to carry out the proposed project. Please provide the most accurate information available.

Show the population of the entire service area. "The population to be served" will be different from the census population if the project is to sewer, or construct improvements in, a portion of the municipality or district.

Provide the state senate, state representative, and congressional district number(s) for the project area.

Provide the median household income based on the most recent decennial census.

The median household income data can be found online at https://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml.

Provide the current user rate for a 5,000 gallon user and what the estimated rate will be at project completion. Use the proposed rate if the project area is currently unsewered.

Please show the total sewer system revenues for the most recent year. Show when the accounting year ended if the fiscal year used is not the calendar year. If this is a new system, write in "new system."

Show the expenditures for the sewer system for the same fiscal year.

Outstanding Debt – Show the total debt on the wastewater system, or combined system.

Existing Annual Debt Service – Show annual payments (principal and interest) on all outstanding debt listed above.

List any other types of debt instruments and funding sources such as Neighborhood Improvement District, or NID, U.S. Department of Agriculture-Rural Development, Community Development Block Grants, etc. Supporting documentation should be attached to the application.

Collection delinquency rate is defined as bills that are never collected, not bills that don't get paid by the due date but are eventually collected later.

Check if the applicant has a combined water and sewer system.

Check if the applicant has a fiscal sustainability plan for the project if it involves the repair, replacement, or expansion of a publicly owned treatment works. Please see Form MO 780-2661 for reference.

4. Point source projects include those projects that directly or indirectly impact a National Pollutant Discharge Elimination System (NPDES), or NPDES, permitted facility. In addition, a proposed project that will ultimately result in the issuance of an NPDES permit is to be considered a point source project. A non-point source project is one that does not fit the point source project description, e.g., a project to rehabilitate or replace on-site wastewater systems, the construction of a decentralized (cluster) wastewater system, or riparian corridor restoration. Provide a brief project description. Green Project Components may include the following:
- Management of stormwater runoff at the local level through the use of natural systems, or engineered systems that mimic natural systems, to treat polluted runoff.
 - Water or energy efficiency improvements.
 - Environmentally innovative activities.

Check if the proposed project will be Design-Build as per Section 67.5070, RSMo. A “design-build contract” shall mean any contract that furnishes architecture or engineering services and construction services either directly or through subcontracts.

5. List the wastewater discharge permit numbers for all facilities affected by the proposed project.

List the non-permitted facilities to be eliminated by the proposed project.

6. Supply the cost estimates for the project. Land acquisition, surface and subsurface easements, places to store equipment and material during construction, land needed to locate eligible projects, and land integral to the treatment process are eligible for SRF funding. Funding recipients must certify compliance with the Uniform Relocation and Real Property Acquisition Act of 1970, P.L. 91-646, as amended. Call for additional guidance if land acquisition is related to a project to address non-point source pollution.

Provide a cost breakdown by category of need.

7. Provide information on existing or proposed ballot issues. If a bond or tax issue has already been voted, provide copies of all items listed at the top of page 3.

List other types of debt instruments and funding sources.

8. List any board trainings related to wastewater management that your board members have attended in the last 3 years.
9. Provide as much information as possible related to the watershed the project is located in, and the problems to be addressed by the project. Note if the water body is a classified water body per 10 CSR 20-7.031. This information will be used in determining the project priority in relation to other applications for funding.
10. Check the boxes that apply to the proposed project.
11. Provide the anticipated dates for the milestones listed. Put N/A in the space if the milestone isn't applicable to the project.

12. Information required by 10 CSR 20-4.040 must be submitted before the application will be prioritized.

This additional information, if provided, may allow for additional priority points. The applicant may submit other project related information that the applicant feels should be submitted with the application.

Incomplete Applications Will Be Returned

- Sign the application; attach any additional information that will enable the department to prioritize your wastewater needs.
- If you are using funds from U.S. Department of Agriculture-Rural Development or Department of Economic Development's Community Development Block Grant Program, be certain that you have included this information.
- Make a copy of the completed application for your records.
- Electronically transmitted applications will not be accepted.
- Mail the completed applications to:
Missouri Department of Natural Resources
Water Protection Program
Financial Assistance Center
P.O. Box 176
Jefferson City, MO 65102-0176

For More Information:

Missouri Department of Natural Resources
Water Protection Program
Financial Assistance Center
P.O. Box 176
Jefferson City, MO 65102-0176
800-361-4827 or 573-751-1192
FAX: 573-751-9396
www.dnr.mo.gov/env/wpp/srf/index.html

NOTICE OF GENERAL MUNICIPAL ELECTION
FOR THE CITY OF MOBERLY, MISSOURI

WS #3.

Notice is hereby given to the qualified voters of the City of Moberly, Missouri that the City Council of the City has called a general municipal election to be held in the City on Tuesday, April 7, 2020, commencing at 6:00 a.m. and closing at 7:00 p.m. on the question contained in the following sample ballot.

RECEIVED

DEC 23 2013

Randolph County Clerk

OFFICIAL BALLOT
CITY OF MOBERLY, MISSOURI
GENERAL MUNICIPAL ELECTION
TUESDAY: April 7, 2020

QUESTION 1

Shall the City of Moberly, Missouri, be authorized to continue to impose a capital improvement sales tax until December 31, 2059 in an amount of one-half of one percent on all retail sales that are subject to taxation for the purpose of extending, improving, operating and maintaining its water and sewer systems?

YES

NO

QUESTION 2

Shall the City of Moberly, Missouri, issue its combined waterworks and sewerage system revenue bonds in the amount of \$18,000,000 for the purpose of acquiring, constructing, improving and extending its combined waterworks and sewerage system, the cost of operation and maintenance of said combined waterworks and sewerage system and the principal of and interest on said revenue bonds to be payable solely from the revenues derived by the City from the operation of its combined waterworks and sewerage system, including all future extensions and improvements thereto?

YES

NO

INSTRUCTIONS TO VOTERS: If you are in favor of the questions, place an X in the box opposite "Yes". If you are opposed to the question, place an X in the box opposite "No".

The polling places for the said election will open at 6:00 a.m. and close at 7:00 p.m.

The polling places for the election will be:

FIRST WARD:

First & Second Precinct – Jefferson Avenue Methodist Church

SECOND WARD:

First Precinct – Moberly City Hall

Second & Third Precinct – Moberly Area YMCA

THIRD WARD:

First Precinct – Moberly City Hall

Second & Third Precinct – Moberly Area Community College

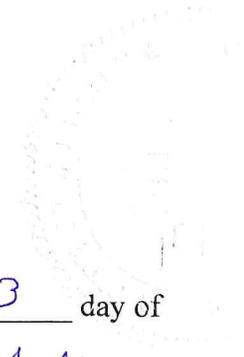
FOURTH WARD:

First & Second Precinct – Immanuel Baptist Church

RECEIVED

DEC 23 2019

Randolph County Clerk



Given under my hand the official seal of the City of Moberly, Missouri this 23 day of Dec., 2019.

(Signed) DK Galloway
City Clerk

This is to certify that the foregoing notice is a true copy of the certification of election notice filed in this office on 23rd of December 2019 by the City Clerk of the City of Moberly



(Signed) Will Allis
County Clerk
County of Randolph, State of Missouri

RECEIVED

DEC 23 2019

BILL NO. 9569

Randolph County Clerk

ORDINANCE NO. 9569

**AN ORDINANCE CALLING AN ELECTION IN THE CITY OF
MOBERLY, MISSOURI.**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOBERLY, MISSOURI,
AS FOLLOWS:**

Section 1. The City Council finds it necessary and hereby declares its intent to borrow \$18,000,000 for the purpose of acquiring, constructing, improving and extending its combined waterworks and sewerage system (the "Project") and to evidence such borrowing by the issuance of combined waterworks and sewerage system revenue bonds of the City (the "Bonds") in the amount of \$18,000,000, and to continue the imposition of the existing capital improvement sales tax to extend, improve, operate and maintain its combined waterworks and sewerage system (the "System").

Section 2. An election is hereby ordered to be held in the City of Moberly, Missouri on April 7, 2020, on the following questions:

QUESTION 1

Shall the City of Moberly, Missouri, be authorized to continue to impose a capital improvement sales tax until December 31, 2059 in an amount of one-half of one percent on all retail sales that are subject to taxation for the purpose of extending, improving, operating and maintaining its water and sewer systems?

QUESTION 2

Shall the City of Moberly, Missouri, issue its combined waterworks and sewerage system revenue bonds in the amount of \$18,000,000 for the purpose of acquiring, constructing, improving and extending its combined waterworks and sewerage system, the cost of operation and maintenance of said combined waterworks and sewerage system and the principal of and interest on said revenue bonds to be payable solely from the revenues derived by the City from the operation of its combined waterworks and sewerage system, including all future extensions and improvements thereto?

Section 3. The form of the Notice of Election for said election, a copy of which is attached hereto and made a part hereof, is hereby approved.

Section 4. The City Clerk is hereby authorized and directed to notify the County Clerk of Randolph County, Missouri of the adoption of this Ordinance no later than 4:00 P.M. on January 28, 2020, and to include in said notification all of the terms and provisions required by Chapter 115 of the Revised Statutes of Missouri, as amended.

Section 5. The City expects to make expenditures on and after the date of adoption of this Ordinance in connection with the Project, and the City intends to reimburse itself for such expenditures with the proceeds of the Bonds. The maximum principal amount of the Bonds to be issued for the Project is \$18,000,000.

Section 6. This Ordinance shall be in full force and effect from and after its passage.

PASSED by the City Council this 16 day of Dec., 2019.

(SEAL)

Mayor



ATTEST:

DK Galloway
City Clerk

APPROVED by the Mayor this 16 day of Dec., 2019.

(SEAL)

Mayor



ATTEST:

DK Galloway
City Clerk

I hereby certify this to be a true and exact copy of Ordinance 9569 passed by Moberly City Council the 16th day of December 2019.

DK Galloway 12-20-2019
Notary Public Date



D.K. GALLOWAY
My Commission Expires
February 10, 2020
Randolph County
Commission #12382850

RECEIVED

DEC 23 2019

Randolph County Clerk

OFFICIAL BALLOT
CITY OF MOBERLY, MISSOURI
GENERAL MUNICIPAL ELECTION
TUESDAY: April 7, 2020

QUESTION 1

Shall the City of Moberly, Missouri, be authorized to continue to impose a capital improvement sales tax until December 31, 2059 in an amount of one-half of one percent on all retail sales that are subject to taxation for the purpose of extending, improving, operating and maintaining its water and sewer systems?

 YES NO**QUESTION 2**

Shall the City of Moberly, Missouri, issue its combined waterworks and sewerage system revenue bonds in the amount of \$18,000,000 for the purpose of acquiring, constructing, improving and extending its combined waterworks and sewerage system, the cost of operation and maintenance of said combined waterworks and sewerage system and the principal of and interest on said revenue bonds to be payable solely from the revenues derived by the City from the operation of its combined waterworks and sewerage system, including all future extensions and improvements thereto?

 YES NO

INSTRUCTIONS TO VOTERS: If you are in favor of the questions, place an X in the box opposite "Yes". If you are opposed to the question, place an X in the box opposite "No".

Registered Voters 13,663 - Total Ballots 1,992 : 14.58%

15 of 15 Precincts Reporting 100.00%

CITY OF MOBERLY QUESTION 1

Number of Precincts 6
 Precincts Reporting 6 100.00%
 Vote For 1
 Total Votes 1,054

	Total	OVO/OVCS	Adjudication	Manual Entry	Adjustment
YES	796	796	0	0	0
NO	258	258	0	0	0

STATE OF MISSOURI }

COUNTY OF RANDOLPH }

I, Will Ellis, Election Authority of the County of Randolph, hereby certify the attached document to be true, correct and complete abstract of all votes cast in said county for all candidates and on all ballot questions at the General Municipal Election held on the 2nd day of June, A.D., 2020, as shown by the returns made to my office by the judges of election of the different voting precincts in said county, and as verified by the verification board as provided in 115.507 RSMo 2019.

IN TESTIMONY WHEREOF, I
 hereunto set my hand and affix the
 seal of the County at my office in
 Huntsville, MO this 5th day of June,
 A.D., 2020.



SEAL

Will Ellis

RECEIVED

JUN - 8 2020

OFFICE OF CITY CLERK
 MOBERLY, MO

Registered Voters 13,663 - Total Ballots 1,992 : 14.58%

15 of 15 Precincts Reporting 100.00%

CITY OF MOBERLY QUESTION 2

Number of Precincts 6
 Precincts Reporting 6 100.00%
 Vote For 1
 Total Votes 1,051

	Total	OVO/OVCS	Adjudication	Manual Entry	Adjustment
YES	833	833	0	0	0
NO	218	218	0	0	0

STATE OF MISSOURI }
 COUNTY OF RANDOLPH }

I, Will Ellis, Election Authority of the County of Randolph, hereby certify the attached document to be true, correct and complete abstract of all votes cast in said county for all candidates and on all ballot questions at the General Municipal Election held on the 2nd day of June, A.D., 2020, as shown by the returns made to my office by the judges of election of the different voting precincts in said county, and as verified by the verification board as provided in 115.507 RSMo 2019.

IN TESTIMONY WHEREOF, I
 hereunto set my hand and affix the
 seal of the County at my office in
 Huntsville, MO this 5th day of June,
 A.D., 2020.



Will Ellis

RECEIVED

JUN - 8 2020

OFFICE OF CITY CLERK
 MOBERLY, MO

BILL NO. 9600

ORDINANCE NO. 9600

AN ORDINANCE DECLARING THE RESULTS OF THE ELECTION HELD IN THE CITY OF MOBERLY, MISSOURI, ON JUNE 20, 2020.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOBERLY, MISSOURI, AS FOLLOWS:

Section 1. That it is hereby found and declared that the vote at the election held in the City of Moberly, Missouri, on Tuesday, June 2, 2020, on the following questions:

QUESTION 1

Shall the City of Moberly, Missouri, be authorized to continue to impose a capital improvement sales tax until December 31, 2059 in an amount of one-half of one percent on all retail sales that are subject to taxation for the purpose of extending, improving, operating and maintaining its water and sewer systems?

resulted as follows:

<u>Yes</u>	<u>No</u>
796	258

QUESTION 2

Shall the City of Moberly, Missouri, issue its combined waterworks and sewerage system revenue bonds in the amount of \$18,000,000 for the purpose of acquiring, constructing, improving and extending its combined waterworks and sewerage system, the cost of operation and maintenance of said combined waterworks and sewerage system and the principal of and interest on said revenue bonds to be payable solely from the revenues derived by the City from the operation of its combined waterworks and sewerage system, including all future extensions and improvements thereto?

resulted as follows:

<u>Yes</u>	<u>No</u>
833	218

Section 2. That it is hereby found and declared that on Question 1 more than a simple majority of the qualified voters of the City voting on the Question at said election voted in favor of said question and it thereby passed. That it is hereby found and declared that on Question 2 more than a simple majority of the qualified voters of the District voting on the Question at said election voted in favor of said question and it thereby passed.

Section 3. That attached hereto as **Exhibit A** is a full, true and correct copy of the certifications of election results cast at said election received from the Randolph County Clerk, that said certifications of election results are the final and last certifications of election results for said election, and that said

CITY OF MOBERLY
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2020

**CITY OF MOBERLY
ANNUAL FINANCIAL REPORT
JUNE 30, 2020**

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FINANCIAL SECTION



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INDEPENDENT AUDITORS' REPORT

To the City Council
City of Moberly

Report on the Financial Statements

We have audited the accompanying modified cash basis financial statements of each major fund and the aggregate remaining fund information of the City of Moberly (the City) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position – modified cash basis of each major fund and the aggregate remaining fund information of the City as of June 30, 2020, and the respective changes in financial position – modified cash basis thereof for the year then ended in accordance with the basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than U.S. generally accepted accounting principles. Our opinions are not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The information presented in the table of contents under the heading supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2020, on our consideration of the City's internal control over financial reporting and on our testing of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

William K. Kasper, LLC

November 13, 2020

BASIC FINANCIAL STATEMENTS

**CITY OF MOBERLY
BALANCE SHEET
MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
JUNE 30, 2020**

	Major Funds						Total
	General Fund	Capital Improvement Trust Fund	Parks and Recreation Fund	Park Sales Tax Trust Fund	Transportation Trust Fund	Non-Major Funds	
ASSETS							
Cash and cash equivalents	\$ 1,133,406	\$ 1,114,091	\$ 1,750	\$ 509,548	\$ 1,533,487	\$ 2,558,171	\$ 6,850,453
Due from other funds	379,961	-	-	-	-	-	379,961
Prepaid expenses	350,111	-	46,983	-	-	21,583	418,677
Total assets	<u>\$ 1,863,478</u>	<u>\$ 1,114,091</u>	<u>\$ 48,733</u>	<u>\$ 509,548</u>	<u>\$ 1,533,487</u>	<u>\$ 2,579,754</u>	<u>\$ 7,649,091</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Due to other funds	\$ -	\$ -	\$ 37,636	\$ -	\$ -	\$ 161,130	\$ 198,766
Other payables	31,824	-	3,760	-	-	-	35,584
Total liabilities	<u>31,824</u>	<u>-</u>	<u>41,396</u>	<u>-</u>	<u>-</u>	<u>161,130</u>	<u>234,350</u>
Fund balances:							
Nonspendable	350,111	-	46,983	-	-	21,583	418,677
Assigned for special revenue purposes	-	1,114,091	-	509,548	1,533,487	2,558,071	5,715,197
Unassigned	1,481,543	-	(39,646)	-	-	(161,030)	1,280,867
Total fund balances	<u>1,831,654</u>	<u>1,114,091</u>	<u>7,337</u>	<u>509,548</u>	<u>1,533,487</u>	<u>2,418,624</u>	<u>7,414,741</u>
Total liabilities and fund balances	<u>\$ 1,863,478</u>	<u>\$ 1,114,091</u>	<u>\$ 48,733</u>	<u>\$ 509,548</u>	<u>\$ 1,533,487</u>	<u>\$ 2,579,754</u>	<u>\$ 7,649,091</u>

CITY OF MOBERLY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Major Funds					Non-Major Funds	Total
	General Fund	Capital Improvement Trust Fund	Parks and Recreation Fund	Park Sales Tax Trust Fund	Transportation Trust Fund		
REVENUES							
Taxes:							
Sales	\$ 2,507,785	\$ 1,197,326	\$ -	\$ 1,196,743	\$ 1,197,779	\$ 54,302	6,153,935
Franchise	1,854,183	-	-	-	-	-	1,854,183
Property	1,146,866	-	529,879	-	-	179,499	1,856,244
Motor vehicle and license	181,263	-	-	-	-	369,870	551,133
Other	585,878	-	4,801	118,656	-	92,330	801,665
Licenses, permits and fees	326,178	-	-	-	-	-	326,178
Charges for goods and services	613,995	-	233,497	-	-	448,540	1,296,032
Grants and contributions	25,181	-	-	-	171,233	327,411	523,825
Interest	22,310	17,568	-	4,150	18,833	24,938	87,799
Miscellaneous	223,855	-	72,446	-	39,083	580,762	916,146
Total revenues	<u>7,487,494</u>	<u>1,214,894</u>	<u>840,623</u>	<u>1,319,549</u>	<u>1,426,928</u>	<u>2,077,652</u>	<u>14,367,140</u>
EXPENDITURES							
General government	1,942,512	291,639	-	-	-	194,749	2,428,900
Public safety	3,860,732	-	-	-	-	497,844	4,358,576
Economic and community development	735,877	-	-	-	-	-	735,877
Transportation	792,405	-	-	-	758,452	865,660	2,416,517
Parks and recreation	-	-	1,441,207	-	-	65,439	1,506,646
Capital outlay	235,428	12,147	789,106	-	902,921	1,270,017	3,209,619
Debt service:							
Principal	93,242	-	-	-	-	100,000	193,242
Interest and fees	9,928	-	-	-	-	-	9,928
Total expenditures	<u>7,670,124</u>	<u>303,786</u>	<u>2,230,313</u>	<u>-</u>	<u>1,661,373</u>	<u>2,993,709</u>	<u>14,859,305</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(182,630)</u>	<u>911,108</u>	<u>(1,389,690)</u>	<u>1,319,549</u>	<u>(234,445)</u>	<u>(916,057)</u>	<u>(492,165)</u>
OTHER FINANCING SOURCES (USES)							
Note proceeds	-	-	-	-	-	1,000,000	1,000,000
Transfers in	5,434	-	1,389,405	53,460	335,172	446,574	2,230,045
Transfers (out)	(285,462)	(869,129)	-	(1,550,017)	-	(60,894)	(2,765,502)
Total other financing sources (uses)	<u>(280,028)</u>	<u>(869,129)</u>	<u>1,389,405</u>	<u>(1,496,557)</u>	<u>335,172</u>	<u>1,385,680</u>	<u>464,543</u>
Net change in fund balances	(462,658)	41,979	(285)	(177,008)	100,727	469,623	(27,622)
Fund balances - beginning (as restated)	2,294,312	1,072,112	7,622	686,556	1,432,760	1,949,001	7,442,363
Fund balances - ending	<u>\$ 1,831,654</u>	<u>\$ 1,114,091</u>	<u>\$ 7,337</u>	<u>\$ 509,548</u>	<u>\$ 1,533,487</u>	<u>\$ 2,418,624</u>	<u>\$ 7,414,741</u>

**CITY OF MOBERLY
STATEMENT OF NET POSITION
MODIFIED CASH BASIS
PROPRIETARY FUNDS
JUNE 30, 2020**

	<u>Major Enterprise Funds</u>			<u>Internal Service Fund</u>
	<u>CWSSW Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>	<u>Health Trust Fund</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 2,035,995	\$ 597,775	\$ 2,633,770	\$ 360,813
Prepaid expenses	100,578	-	100,578	-
Total current assets	<u>2,136,573</u>	<u>597,775</u>	<u>2,734,348</u>	<u>360,813</u>
Non-current assets:				
Restricted cash and cash equivalents	2,747,962	-	2,747,962	-
Restricted investments	1,017,778	-	1,017,778	-
Total non-current assets	<u>3,765,740</u>	<u>-</u>	<u>3,765,740</u>	<u>-</u>
Total assets	<u>5,902,313</u>	<u>597,775</u>	<u>6,500,088</u>	<u>360,813</u>
LIABILITIES				
Current liabilities:				
Due to other funds	180,963	232	181,195	-
Other payables	206,610	2,112	208,722	-
Total liabilities	<u>387,573</u>	<u>2,344</u>	<u>389,917</u>	<u>-</u>
NET POSITION				
Restricted for debt service	3,765,740	-	3,765,740	-
Unrestricted	1,749,000	595,431	2,344,431	360,813
Total net position	<u>\$ 5,514,740</u>	<u>\$ 595,431</u>	<u>\$ 6,110,171</u>	<u>\$ 360,813</u>

See accompanying notes to the basic financial statements.

CITY OF MOBERLY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
MODIFIED CASH BASIS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Major Enterprise Funds</u>			<u>Internal Service Fund</u>
	<u>CWSS Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>	<u>Health Trust Fund</u>
REVENUES				
Charges for services	\$ 5,442,634	\$ 1,069,040	\$ 6,511,674	\$ 1,793,743
Total operating revenues	<u>5,442,634</u>	<u>1,069,040</u>	<u>6,511,674</u>	<u>1,793,743</u>
OPERATING EXPENSES				
Personnel services	1,666,506	7,149	1,673,655	-
Contractual services	514,535	1,016,517	1,531,052	1,958,494
Repairs and maintenance	507,293	-	507,293	-
Materials and supplies	862,649	376	863,025	-
Capital outlay	2,156,111	51,184	2,207,295	-
Miscellaneous	55,433	145,169	200,602	-
Debt service:				
Principal	1,172,502	-	1,172,502	-
Interest and fees	219,266	-	219,266	-
Total operating expenses	<u>7,154,295</u>	<u>1,220,395</u>	<u>8,374,690</u>	<u>1,958,494</u>
Operating income (loss)	<u>(1,711,661)</u>	<u>(151,355)</u>	<u>(1,863,016)</u>	<u>(164,751)</u>
NON-OPERATING REVENUES (EXPENSES)				
Lease proceeds	1,975,586	-	1,975,586	-
Interest	48,144	8,537	56,681	13,341
Miscellaneous	28,954	-	28,954	-
Transfers in	6,157,592	-	6,157,592	-
Transfers (out)	(5,623,635)	-	(5,623,635)	-
Total non-operating revenues	<u>2,586,641</u>	<u>8,537</u>	<u>2,595,178</u>	<u>13,341</u>
Change in net position	874,980	(142,818)	732,162	(151,410)
Total net position - beginning (as restated)	<u>4,639,760</u>	<u>738,249</u>	<u>5,378,009</u>	<u>512,223</u>
Total net position - ending	<u>\$ 5,514,740</u>	<u>\$ 595,431</u>	<u>\$ 6,110,171</u>	<u>\$ 360,813</u>

See accompanying notes to basic financial statements.

**CITY OF MOBERLY
STATEMENT OF FIDUCIARY NET POSITION
MODIFIED CASH BASIS
JUNE 30, 2020**

	Custodial Funds		
	Veterans' Flag Project Fund	Community Betterment Fund	Total
ASSETS			
Cash and cash equivalents	\$ 40,017	\$ 3,363	\$ 43,380
Total assets	40,017	3,363	43,380
LIABILITIES			
Due to other governments	40,017	3,363	43,380
Total liabilities	40,017	3,363	43,380
NET POSITION	\$ -	\$ -	\$ -

CITY OF MOBERLY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2020

	Custodial Funds		Total
	Veterans' Flag Project Fund	Community Betterment Fund	
RECEIPTS			
Interest	\$ 455	\$ -	\$ 455
Miscellaneous	2,321	-	2,321
Total receipts	2,776	-	2,776
DISBURSEMENTS			
General government	2,776	1,500	4,276
Total disbursements	2,776	1,500	4,276
OTHER FINANCING SOURCES			
Transfers in	-	1,500	1,500
Total other financing sources	-	1,500	1,500
Change in net position	-	-	-
Net position, July 1	-	-	-
NET POSITION, JUNE 30	\$ -	\$ -	\$ -

CITY OF MOBERLY

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies employed in the preparation of the accompanying financial statements, as presented on the basis set forth in Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments* as modified for the basis of accounting used by the government.

A. Reporting Entity

The City of Moberly (the City) is an incorporated city located in Randolph County, Missouri. The City operates under a Mayor-Council form of government. The City provides services to its approximately fourteen thousand residents in many areas including: emergency management, law enforcement, parks and recreation, water and sewer utilities, and various social services. These services do not include education, which is provided by separate governmental entities.

The basic financial statements include all of the funds relevant to the operations of the City. The financial statements presented herein do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the City that have been determined not to be component units as defined by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an Amendment of GASB Statements No. 14 and 34*.

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. Financially accountable means the primary government is able to impose its will or the component unit may provide financial benefits or impose a burden on the primary government. In addition, component units can be other organizations for which the nature and significance of the relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

As required by U.S. generally accepted accounting principles (GAAP), the City has evaluated the above criteria to determine whether any other entity meets the definition of a component unit and must be included in these financial statements, noting none.

B. Basis of Accounting and Financial Statement Presentation

The financial statements have been prepared using the modified cash basis of accounting. Revenues are recorded when received rather than when susceptible to accrual, and expenditures/expenses are recorded when paid rather than when the liability is incurred. This is a comprehensive basis of accounting other than GAAP. The modification to the cash basis of accounting results from recording prepaid expenses and other payables as result of certain cash transactions.

Typically, government financial statements would be presented as three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. However, because the City's financial statements have been prepared using the modified cash basis of accounting, as described above, the fund financial statement information is presented in the same manner as government-wide financial statements would be, only with more detail. Therefore, the City's basic financial statements include: 1) fund financial statements and 2) notes to the financial statements.

The City uses funds to report its financial position and results of its operations in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into three categories: governmental, proprietary, and fiduciary.

Separate fund financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund or designated by management for expenditures for specified purposes.

Capital Improvement Trust Fund – This special revenue fund was established to account for sales taxes assigned for general government capital improvement purposes.

Parks and Recreation Fund – This special revenue fund was established to account for property taxes and other financial resources assigned for parks and recreation purposes.

Park Sales Tax Trust Fund – This special revenue fund was established to account for sales taxes and other financial resources assigned for park purposes.

Transportation Trust Fund – This special revenue fund was established to account for sales taxes and other financial resources assigned for transportation purposes.

The City reports the following major proprietary funds:

Enterprise funds:

Combined Waterworks and Sewerage System (CWWSS) Fund – This enterprise fund accounts for the provision of water and sewer utility services to the residents of the City.

Solid Waste Fund – This enterprise fund accounts for the provision of solid waste utility services to the residents of the City.

Internal service fund:

Health Trust Fund – This internal service fund accounts for the financing of the City’s employee health plan.

In addition, the City reports the following fiduciary funds:

Veterans’ Flag Project Fund – This custodial fund accounts for funds collected by the City to purchase flags to be displayed in Oakland Cemetery at various times throughout the year. The funds collected by the City are subsequently remitted to the Cemetery.

Community Betterment Fund – This custodial fund accounts for funds collected by the City for the benefit of the community. The funds collected by the City are subsequently remitted to the Moberly Community Betterment Group.

C. Cash and Cash Equivalents

Cash and cash equivalents may include cash on hand, demand deposits, and certificates of deposits.

D. Investments

Investments may include any investment allowed by state statute as defined in Note 3. Investments are reported at cost.

E. Capital Assets

As a result of using the modified cash basis of accounting, capital assets are recorded as expenditures/expenses at the time the payment is made. As such, no balances for capital assets or accumulated depreciation are reported in the financial statements.

F. Long-term Debt

As a result of using the modified cash basis of accounting, long-term debt is not recorded in the financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest is reported as expenditures/expenses. The City's long-term debt consists primarily of bonds and leases payable.

G. Equity

In the governmental fund financial statements, equity is displayed in five components as follows:

Nonspendable – This consists of amounts that are not in a spendable form or are legally or contractually required to be maintained intact.

Restricted – This consists of amounts that are constrained to specific purposes by their providers, through constitutional or contractual provisions or by enabling legislation.

Committed – This consists of amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority (the City Council) by the end of the fiscal year. The City Council can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken to remove or revise the limitation.

Assigned – This consists of amounts that are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. The City Council can assign fund balance; however, an additional formal action does not have to be taken for the removal of the assignment.

Unassigned – This consists of amounts that are available for any purpose and can only be reported in the General Fund.

The City did not have any restricted or committed fund balances as of June 30, 2020.

In the proprietary fund financial statements, equity is displayed in two components as follows:

Restricted – This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted – This consists of net position that does not meet the definition of “restricted”.

H. Compensated Absences

Vacation and sick leave are considered expenditures/expenses in the year paid. Unused vacation days are payable upon termination.

I. Post-Employment Benefits

For personnel hired prior to July 1, 2017, the City provides health and dental insurance to employees who retire after thirty years of service with the City. The coverage is provided until the employee qualifies for Medicare. At June 30, 2020, there were sixteen employees that qualified for benefits and the City contributed approximately \$496 per employee to the Health Trust Fund on a monthly basis. Contributions totaled approximately \$95,326 during the year ended June 30, 2020.

J. Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect reported amounts of assets and liabilities, and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

2. LEGAL COMPLIANCE – BUDGET

The City’s policy is to prepare the operating budgets in accordance with the modified cash basis of accounting. The City prepared budgets for all fund types for the year ended June 30, 2020.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- 1) Prior to July 1, the City Manager and Finance Department submit to the City Council a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures/expenses and the means of financing them.
- 2) The proposed budget is available for public inspection.
- 3) Prior to June 30, the budget is legally enacted through passage of an ordinance.
- 4) The City Manager and Finance Department are authorized to transfer budgeted amounts within a fund; however, any revisions that alter the total revenues or total expenditures/expenses of any fund must be approved by the City Council.
- 5) All appropriations lapse at year end.

The reported budgetary data represents the final approved budget after amendments as adopted by the City Council. The budget was amended during the year.

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Deposits

Missouri State Statutes authorize the City to deposit funds in any investments allowed by the State Treasurer. These include obligations of the U.S. Treasury, federal agencies and instrumentalities, certificates of deposits, and repurchase agreements.

Custodial credit risk for deposits is the risk that, in the event of bank failure, the government’s deposits may not be returned to it. The City’s deposits with financial institutions must be collateralized in an amount at least equal to uninsured deposits. The City’s deposits are categorized to give an indication of the level of custodial risk assumed by the City.

Deposits, categorized by level of custodial risk, were as follows as of June 30, 2020:

	Cash and Cash Equivalents	Petty Cash	Total
Bank balance			
Insured by the FDIC	\$ 254,321	\$ -	\$ 254,321
Collateralized with securities pledged by the financial institution in the government's name	12,364,613	-	12,364,613
	<u>\$ 12,618,934</u>	<u>\$ -</u>	<u>\$ 12,618,934</u>
Carrying value	<u>\$ 12,589,448</u>	<u>\$ 3,550</u>	<u>\$ 12,592,998</u>

A reconciliation of cash and cash equivalents as shown in the financial statements is as follows:

	Governmental Funds Balance Sheet	Proprietary Funds Statement of Financial Position	Total
Cash and cash equivalents	\$ 6,850,453	\$ 2,994,583	\$ 9,845,036
Restricted cash and cash equivalents	-	2,747,962	2,747,962
	<u>\$ 6,850,453</u>	<u>\$ 5,742,545</u>	<u>\$ 12,592,998</u>

Investments

Missouri State Statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, collateralized certificates of deposits, and the State Treasurer’s investment pool. The City’s investments consist of certificates of deposits and money market mutual funds, which are reported in the financial statements at cost.

As of June 30, 2020, the City had the following investment balances:

	Investment Maturities (in years)			Fair Value	Carrying Value
	Less than 1	1-5	Over 5		
Restricted:					
Money market mutual funds	\$ -	\$ -	\$ 1,017,778	\$ 1,017,778	\$ 1,017,778
Total investments	\$ -	\$ -	\$ 1,017,778	\$ 1,017,778	\$ 1,017,778

Interest rate risk – Interest rate risk is the risk that the fair values of investments will be adversely affected by a change in interest rates. As the City uses the modified cash basis of accounting, the City does not have any interest rate risk in investments.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit risk is measured using credit quality ratings of investments in debt securities as described by nationally recognized rating agencies such as Standard & Poor’s and Moody’s. Missouri State Statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, collateralized certificates of deposits, and the State Treasurer’s investment pool. The City has no investment policy that would further limit its investment choice.

Concentration of credit risk – Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. The City places no limit on the amount the City may invest in any one issuer.

Custodial credit risk – For an investment, this is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in possession of an outside party. The City does not have any custodial risk in investments.

4. RESTRICTED CASH AND CASH EQUIVALENTS, INVESTMENTS, AND NET POSITION

At June 30, 2020, cash and cash equivalents, investments, and net position were restricted for various uses as follows:

	Cash and Cash Equivalents	Investments	Net Position
CWWSS Fund:			
Restricted for debt service	\$ 2,747,962	\$ 1,017,778	\$ 3,765,740

5. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

Interfund receivables and payables at June 30, 2020, resulting from interfund activity were as follows:

	Interfund Receivable	Interfund Payable
Governmental funds:		
General Fund	\$ 379,961	\$ -
Parks and Recreation Fund	-	37,636
Non-Major Funds	-	161,130
Proprietary funds:		
CWWSS Fund	-	180,963
Solid Waste Fund	-	232
Total	<u>\$ 379,961</u>	<u>\$ 379,961</u>

These balances either originated during prior fiscal years and were not settled during fiscal year 2020, or originated during fiscal year 2020 as a result of current year activity between the funds.

A summary of interfund transfers for the year ended June 30, 2020, follows:

	Transfers In	Transfers Out
Governmental funds:		
General Fund	\$ 5,434	\$ 285,462
Capital Improvement Trust Fund	-	869,129
Parks and Recreation Fund	1,389,405	-
Park Sales Tax Trust Fund	53,460	1,550,017
Transportation Trust Fund	335,172	-
Non-Major Funds	446,574	60,894
Proprietary funds:		
CWWSS Fund	6,157,592	5,623,635
Fiduciary funds:		
Community Betterment Fund	1,500	-
Total	<u>\$ 8,389,137</u>	<u>\$ 8,389,137</u>

The purpose of these transfers is to subsidize the operations and support the fund balance/net position of the fund receiving the transfer.

6. LONG-TERM DEBT

The following is a summary of the City's long-term debt transactions for the year ended December 31, 2020:

	Beginning Balance	Additions	Retirements	Ending Balance	Amount Due in One Year
Governmental funds:					
Fire and street equipment lease	\$ 119,871	\$ -	\$ 57,854	\$ 62,017	\$ 62,017
Police software lease	235,756	-	35,388	200,368	36,450
Heritage Hills Golf Course note	-	1,000,000	100,000	900,000	100,000
Proprietary funds:					
Sewer equipment lease	223,219	-	72,502	150,717	74,461
Water equipment lease	-	1,975,586	-	1,975,586	203,081
Revenue bonds	8,120,000	-	1,100,000	7,020,000	1,125,000
	<u>\$ 8,698,846</u>	<u>\$ 2,975,586</u>	<u>\$ 1,365,744</u>	<u>\$ 10,308,688</u>	<u>\$ 1,601,009</u>

The State Constitution permits a city, by vote of two-thirds of the voting electorate, to incur general obligation indebtedness for "city purposes" not to exceed 10% of the assessed value of taxable tangible property and to incur additional general obligation indebtedness not to exceed, in the aggregate, an additional 10% of the assessed value of taxable tangible property, for the purpose of acquiring rights-of-way, construction, extending and improving streets and avenues and/or sanitary or storm wastewater systems, and purchasing or constructing waterworks, electric or other light plants, provided that the total general obligation indebtedness of the city does not exceed 20% of the assessed valuation of taxable property.

Based on the assessed valuation as of January 1, 2019, of \$163,796,228, the constitutional total general obligation debt limit was \$32,759,246, which provides a general obligation debt margin of \$32,759,246.

Leases

Governmental funds:

In February 2014, the City entered into a lease purchase agreement for fire and street equipment. The lease bears interest at 2.38%. Principal payments are due annually through February 2021, at which time ownership of the equipment will transfer to the City. The City has been satisfying its obligation to make the minimum lease payments under the lease purchase agreement from the General Fund's revenues. The lease is secured by the equipment.

In November 2017, the City entered into a lease purchase agreement for police software. The lease bears interest at 2.96%. Principal payments are due annually through November 2024, at which time the City can purchase the software for \$1. The City has been satisfying its obligation to make the minimum lease payments under the lease purchase agreement from the General Fund's revenues. The lease is secured by the software.

Proprietary funds:

In May 2018, the City entered into a lease purchase agreement for sewer equipment. The lease bears interest at 2.7%. Principal payments are due annually through May 2022, at which time the City has the option to purchase the equipment. The City has been satisfying its obligation to make the minimum lease payments under the lease purchase agreement from the CWWSS Fund's operating revenues. The lease is secured by the equipment.

In November 2019, the City entered into a lease purchase agreement for water equipment. The lease bears interest at 2.945%. Principal payments are due quarterly through November 2030, at which time the City has the option to purchase the equipment. The City will satisfy its obligation to make the minimum lease payments under the lease purchase agreement from the CWWSS Fund’s operating revenues. The lease is secured by the equipment.

These lease purchase agreements qualify as capital leases for accounting purposes because ownership is assumed to transfer upon satisfaction of the entire lease obligation. However, as a result of the City using the modified cash basis of accounting, the capital lease and related capital assets are not recorded in the financial statements.

The future minimum lease payments on the City’s leases are as follows:

Year Ending June 30	Governmental Funds	Proprietary Funds	Total
2021	\$ 107,318	\$ 349,713	\$ 457,031
2022	48,380	619,713	668,093
2023	47,220	541,363	588,583
2024	46,024	541,363	587,387
2025	34,615	589,446	624,061
Total	283,557	2,641,598	2,925,155
Less: amounts representing interest	(21,172)	(515,295)	(536,467)
Total principal	<u>\$ 262,385</u>	<u>\$ 2,126,303</u>	<u>\$ 2,388,688</u>

Note

In April 2019, the City entered into a promissory note agreement for the purchase of Heritage Hills Golf Course. The note is non-interest bearing. Principal payments are due annually through December 2028. The note is secured by the property.

Revenue Bonds

In November 2002, residents of the City authorized State Environmental Improvement and Energy Resources Authority Combined Waterworks and Sewage System Revenue Bonds for the purpose of financing construction of and improvements to the combined water and sewer system.

In 2004, the City issued \$7,150,000 in Series 2004B revenue bonds to refinance the Series 2003 revenue bonds. Also in 2004, the City issued \$5,100,000 in Series 2004C revenue bonds. In 2006, the City issued \$5,460,000 in Series 2006A revenue bonds. In 2008, the City issued \$2,560,000 in Series 2008A in revenue bonds.

In connection with the issuance of these bonds, the City participates in a revolving loan program established by the Missouri Department of Natural Resources (DNR). The State of Missouri manages and invests the bond proceeds on behalf of the City. As the City incurred approved expenditures, DNR reimbursed the City for the expenditures from the construction escrow funds. Additionally, an amount (83.33% of which was federal funding) representing 70% of the construction costs was deposited into bond reserve funds in the City’s name and are held as a guarantee against the outstanding bond obligations. Interest earned from these reserve funds can be used by the City to fund interest payments on the revenue bonds. A portion of the reserve funds is transferred back to the State as principal payments are made on the revenue bonds.

The CWWSS Fund has pledged future operating revenues, net of current specified operating expenses, to repay the revenue bonds. The revenue bonds are payable solely from operating revenues and are payable through 2029. Net revenues available for debt service are not to be less than 110% of the amount required to be paid annually of principal and interest. Net revenues for fiscal year 2020 are over 424% of the annual principal and interest payments made during the year, as principal and interest paid were \$1,284,890 and net revenues were \$5,442,634.

The City’s revenue bonds are comprised of the following individual issues:

	Original Amount	Interest Rate	Final Maturity Date	Balance June 30, 2020
Series 2004B revenue bonds	\$ 7,150,000	2.00-5.00%	1/1/2024	\$ 1,760,000
Series 2004C revenue bonds	5,100,000	3.00-5.05%	1/1/2026	1,800,000
Series 2006A revenue bonds	5,460,000	4.00-5.25%	7/1/2026	2,190,000
Series 2008A revenue bonds	2,560,000	2.01-4.41%	1/1/2029	1,270,000
				<u>\$ 7,020,000</u>

Annual debt service requirements on the City’s revenue bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ 1,125,000	\$ 159,700	\$ 1,284,700
2022	1,155,000	133,397	1,288,397
2023	1,180,000	106,390	1,286,390
2024	1,210,000	78,559	1,288,559
2025	770,000	50,992	820,992
2026-2029	1,580,000	60,730	1,640,730
Total	<u>\$ 7,020,000</u>	<u>\$ 589,768</u>	<u>\$ 7,609,768</u>

7. PROPERTY TAXES

The City’s property taxes are levied no later than September 1 and is based on the value of all real and personal property located in Randolph County as of the prior January 1, the lien date. Taxes are billed by November 1 and are considered delinquent after December 31. Property taxes are recognized as revenue when received. The City has entered into an agreement with Randolph County for collection of property taxes. The County reports collections to the City monthly.

The City’s assessed valuation and tax levy per \$100 assessed valuation are as follows:

	<u>For the 2019 Calendar Year</u>
Assessed valuation:	
Real estate	\$ 116,495,630
Personal property	40,342,987
State assessed	<u>6,957,611</u>
	<u>\$ 163,796,228</u>
Tax levy:	
General revenue	\$ 0.7223
Parks and recreation	<u>0.3352</u>
	<u>\$ 1.0575</u>

8. PENSION PLAN

General Information about the Pension Plan

The following information is presented in accordance with Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

Plan Description

The City’s defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The City participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer statewide public employee pension plan established in 1967 and administered in accordance with RSMo 70.600-70.755. As such, it is LAGERS’ responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

Benefits Provided

LAGERS provides retirement, death, and disability benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police) and receive a reduced allowance.

	<u>2020 Valuation</u>
Benefit multiplier	1.50%
Final average salary	3 years
Member contributions	0%

Benefit terms provide for annual post retirement adjustments to each member’s retirement allowance subsequent to the member’s retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year.

Employees Covered by Benefit Terms

At June 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	145
Inactive employees entitled to but not yet receiving benefits	73
Active employees	112
	<hr/>
Total	330
	<hr/> <hr/>

Contributions

The City is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the City do not contribute to the pension plan. The City’s contribution rates are 7.7% (General), 13.8% (Police), and 15.9% (Fire) of annual covered payroll.

Net Pension Liability (Asset)

The City’s net pension liability (asset) was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 29, 2020.

Actuarial Assumptions

The total pension liability in the February 28, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25% wage; 2.50% price
Salary increase	3.25% to 6.55%, including wage inflation
Investment rate of return	7.25%, net of investment expenses

Mortality rates were based on the 2014 Healthy Annuitant, Disabled, and Employees Mortality Tables.

The actuarial assumptions used in the February 28, 2020, valuation were based on the results of an actuarial experience study for the period March 1, 2010 through February 28, 2015.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Alpha	15.00%	3.67%
Equity	35.00%	4.78%
Fixed income	31.00%	1.41%
Real assets	36.00%	3.29%
Strategic assets	8.00%	5.25%
Cash/leverage	-25.00%	-0.29%
	100.00%	

Discount Rate

The discount rate used to measure the total pension liability is 7.25%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

As a result of the City using the modified cash basis of accounting, the net pension liability (asset) is not recorded in the accompanying financial statements. However, the following summarizes the changes in the net pension liability (asset) if it had been recorded:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2019	\$ 28,250,548	\$ 31,181,272	\$ (2,930,724)
Changes for the year:			
Service cost	491,145	-	491,145
Interest	2,006,456	-	2,006,456
Difference between expected and actual experience	(60,428)	-	(60,428)
Contributions - employer	-	522,811	(522,811)
Net investment income	-	385,080	(385,080)
Benefit payments, including refunds	(1,662,216)	(1,662,216)	-
Administrative expense	-	(40,459)	40,459
Other changes	-	1,626	(1,626)
Net changes	774,957	(793,158)	1,568,115
Balances at June 30, 2020	\$ 29,025,505	\$ 30,388,114	\$ (1,362,609)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.25%, as well as what the City's net pension liability (asset) would be using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate.

	Current Single Discount		
	1% Decrease (6.25%)	Rate Assumption (7.25%)	1% Increase (8.25%)
Total pension liability	\$ 32,755,030	\$ 29,025,505	\$ 25,944,596
Plan fiduciary net position	\$ 30,388,114	\$ 30,388,114	\$ 30,388,114
Net pension liability (asset)	\$ 2,366,916	\$ (1,362,609)	\$ (4,443,518)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's net position is available in the separately issued LAGERS financial report.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As a result of the City using the modified cash basis of accounting, deferred outflows and inflows of resources are not recorded in the accompanying financial statements. In addition, pension expense is recorded as expenditures/expenses in the accompanying financial statements based on actual cash basis contributions made to the pension plan during the year ended June 30, 2020. However, the following summarizes the deferred outflows and inflows of resources, and pension expense if they had been recorded.

For the year ended June 30, 2020, the City's pension expense under full accrual accounting would have been \$478,438. However, on the modified cash basis of accounting, the City recognized payments to LAGERS of \$517,937 as expense. The City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 234,905	\$ (359,085)
Changes in assumptions	44,383	-
Net difference between projected and actual earnings on pension plan investments	803,341	-
Total	\$ 1,082,629	\$ (359,085)

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

2021	\$	(194,485)
2022		130,952
2023		437,777
2024		356,646
2025		(7,346)
Thereafter		-
Total	\$	<u>723,544</u>

9. COMMITMENTS AND CONTINGENCIES

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; workman’s compensation; liability, crime, and employee errors and omissions; and natural disasters. The City purchases commercial insurance to provide coverage for general liability, property damage, and workers’ compensation. Settled claims have not exceeded this commercial insurance coverage in any of the past three years.

B. Litigation

The City is involved in lawsuits arising in the ordinary course of activities, including claims regarding construction contract issues, personal injury and discriminatory personnel practices, property condemnation proceedings, and suits contesting the legality of certain taxes. While these cases may have future financial effect, management, based on advice of counsel, believes that their ultimate outcome will not be material to the basic financial statements.

C. Intergovernmental Revenue

The City receives financial assistance from federal, state, and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the City. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements or the individual fund-types included herein or on the overall financial position of the City as of June 30, 2020.

D. Landfill Closure and Post-closure Costs

State and federal laws and regulations require that the City place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty-years after closure. As the City uses the modified cash basis of accounting, a liability is not recorded for future closure or post-closure costs that will be incurred at or near the date the landfill no longer accepts waste. The landfill was filled to capacity and closed in 2006 and the City received final closure status from the Missouri Department of Natural Resources (DNR) at that time. The liability for post-closure care costs is \$2,142,725 as of June 30, 2020, based on calculations performed by DNR. The actual cost of closure and post-closure care is subject to change based on inflation/deflation, technology changes, or changes in landfill laws and regulations.

The City does not have any assets restricted for the payment of these costs. The City intends to finance these costs from revenues generated from the Solid Waste Fund's charges for services and/or the General Fund's reserves.

Prior to the Mamtek failure and the City's resulting credit downrating, the City had pledged its resources to DNR to handle whatever issues may occur at the landfill. With the credit downrating, DNR policy required the City to post a \$380,000 performance bond with a commercial insurer (Lexon Insurance Company, formerly Old Hickory Insurance) and maintain a performance guarantee policy until such time that the City's credit rating returns to investment grade. Initially, the annual premium for this coverage was \$71,567; however, since the landfill was placed into post-closure monitoring status by DNR in 2016, the premium has decreased to \$41,116 annually, payable in December of each year.

E. Other Commitments

In fiscal year 2019, solar panels were installed throughout the City. The City entered into an agreement with a third party to operate, maintain, and repair these panels for \$15,660/month through June 30, 2039.

In fiscal year 2019, the City entered into an agreement with a third party to purchase body cameras and video evidence management software for the Police Department for \$19,128/year through August 2022.

In fiscal year 2020, the City entered into an energy performance contract with a third party for water meters (including an automated reading system), billing and accounting software, and energy efficient equipment for the water and wastewater plants. The total contract price was \$4,642,450, which will be paid in quarterly installments from November 1, 2020 through August 1, 2030.

10. FUND DISCLOSURES

The Airport Operating Fund has an accumulated deficit at June 30, 2020. This is due to interfund transfers to the Airport Operating Fund not being made until after yearend and as such, the deficit will be eliminated upon receipt of the transfers.

11. TAX ABATEMENTS

GASB Statement No. 77, *Tax Abatement Disclosures*, requires disclosures of tax information about (1) a reporting government's own tax abatement agreements, and (2) those that are entered into by other governments that reduce the reporting government's tax revenues. The City has entered into agreements with various organizations under RSMo 135.200-135.260 (Enterprise Zones) and 353.110 (Urban Redevelopment), which provide for the abatement of personal and real estate property taxes.

During the year ended June 30, 2020, the total assessed value of the property included in the Enterprise Zones was \$2,387,440, and the total tax abatements were \$25,247.

During the year ended June 30, June 30, 2020, the total assessed value of the property included in the Urban Redevelopment was \$5,052,228, and the total tax abatements were \$53,427.

12. RESTATEMENT

During the year ended June 30, 2020, the City determined several prior year balances were incorrect and needed to be restated.

As a result, the fund balances and net position as of June 30, 2019, were restated as follows:

	Fund balance/ net position, as previously reported	Effect of restatement	Fund balance/ net position, as restated
Governmental funds:			
General Fund	\$ 2,230,062	\$ 64,250	\$ 2,294,312
Capital Improvement Trust Fund	1,244,572	(172,460)	1,072,112
Parks and Recreation Fund	1,167	6,455	7,622
Transportation Trust Fund	1,432,723	37	1,432,760
Non-Major Funds	1,947,691	1,310	1,949,001
Proprietary funds:			
CWWSS Fund	4,840,220	(200,460)	4,639,760
Totals	<u>\$ 11,696,435</u>	<u>\$ (300,868)</u>	<u>\$ 11,395,567</u>

13. SUBSEQUENT EVENT

In October 2020, the City issued \$1,700,000 of limited general obligation bonds for the City of Moberly, Missouri Downtown Public Facilities Neighborhood Improvement District.

SUPPLEMENTARY INFORMATION

**CITY OF MOBERLY
COMBINING BALANCE SHEET
MODIFIED CASH BASIS
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

	<u>Non-Resident Lodging Fund</u>	<u>Heritage Hills Golf Course Fund</u>	<u>Airport Operating Fund</u>	<u>Perpetual Care Cemetery Principal Fund</u>	<u>Perpetual Care Cemetery Interest Fund</u>	<u>Use Tax Trust Fund</u>
ASSETS						
Cash and cash equivalents	\$ 155,299	\$ -	\$ 100	\$ 7,061	\$ 474,000	\$ 248,644
Prepaid expenses	-	-	3,235	-	-	-
Total assets	<u>\$ 155,299</u>	<u>\$ -</u>	<u>\$ 3,335</u>	<u>\$ 7,061</u>	<u>\$ 474,000</u>	<u>\$ 248,644</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Due to other funds	\$ -	\$ -	\$ 161,130	\$ -	\$ -	\$ -
Total liabilities	-	-	161,130	-	-	-
Fund balances:						
Nonspendable	-	-	3,235	-	-	-
Assigned for special revenue purposes	155,299	-	-	7,061	474,000	248,644
Unassigned	-	-	(161,030)	-	-	-
Total fund balances	<u>155,299</u>	<u>-</u>	<u>(157,795)</u>	<u>7,061</u>	<u>474,000</u>	<u>248,644</u>
Total liabilities and fund balances	<u>\$ 155,299</u>	<u>\$ -</u>	<u>\$ 3,335</u>	<u>\$ 7,061</u>	<u>\$ 474,000</u>	<u>\$ 248,644</u>

CITY OF MOBERLY
 COMBINING BALANCE SHEET (CONTINUED)
 MODIFIED CASH BASIS
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2020

	Inmate Security Fund	Police Forfeiture Fund	Street Improvements Fund	MODAG Grant/Loan Fund	Project Residuals Fund	ICSC/Buxton Fund	Railcar Preservation Fund	Luc CE
ASSETS								
Cash and cash equivalents	\$ 13,355	\$ 4,320	\$ 634,764	\$ 21,783	\$ 150,002	\$ 6,623	\$ 587	\$
Prepaid expenses	-	-	-	-	-	-	-	-
Total assets	<u>\$ 13,355</u>	<u>\$ 4,320</u>	<u>\$ 634,764</u>	<u>\$ 21,783</u>	<u>\$ 150,002</u>	<u>\$ 6,623</u>	<u>\$ 587</u>	<u>\$</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:								
Nonspendable	-	-	-	-	-	-	-	-
Assigned for special revenue purposes	13,355	4,320	634,764	21,783	150,002	6,623	587	
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	<u>13,355</u>	<u>4,320</u>	<u>634,764</u>	<u>21,783</u>	<u>150,002</u>	<u>6,623</u>	<u>587</u>	
Total liabilities and fund balances	<u>\$ 13,355</u>	<u>\$ 4,320</u>	<u>\$ 634,764</u>	<u>\$ 21,783</u>	<u>\$ 150,002</u>	<u>\$ 6,623</u>	<u>\$ 587</u>	<u>\$</u>

CITY OF MOBERLY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Non-Resident Lodging Fund	Heritage Hills Golf Course Fund	Airport Operating Fund	Perpetual Care Cemetery Principal Fund	Perpetual Care Cemetery Interest Fund	Use Tax Trust Fund
REVENUES						
Other taxes	\$ 92,330	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for goods and services	-	-	209,683	6,600	-	-
Grants and contributions	-	24,672	264,953	175	-	-
Interest	1,959	-	22	-	5,434	2,811
Miscellaneous	-	-	14,221	-	-	-
Total revenues	<u>94,289</u>	<u>24,672</u>	<u>488,879</u>	<u>6,775</u>	<u>5,434</u>	<u>2,811</u>
EXPENDITURES						
General government	95,258	-	-	-	-	-
Public safety	-	-	-	-	-	-
Transportation	-	-	687,822	-	-	-
Parks and recreation	-	65,439	-	-	-	-
Capital outlay	12,273	1,021,845	-	-	-	-
Debt service:						
Principal	-	100,000	-	-	-	-
Total expenditures	<u>107,531</u>	<u>1,187,284</u>	<u>687,822</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13,242)</u>	<u>(1,162,612)</u>	<u>(198,943)</u>	<u>6,775</u>	<u>5,434</u>	<u>2,811</u>
OTHER FINANCING SOURCES (USES)						
Debt proceeds	-	1,000,000	-	-	-	-
Transfers in	-	162,612	33,962	-	-	-
Transfers (out)	(2,000)	-	-	-	(5,434)	-
Total other financing sources (uses)	<u>(2,000)</u>	<u>1,162,612</u>	<u>33,962</u>	<u>-</u>	<u>(5,434)</u>	<u>-</u>
Net change in fund balances	(15,242)	-	(164,981)	6,775	-	2,811
Fund balances - beginning (as restated)	170,541	-	7,186	286	474,000	245,833
Fund balances - ending	<u>\$ 155,299</u>	<u>\$ -</u>	<u>\$ (157,795)</u>	<u>\$ 7,061</u>	<u>\$ 474,000</u>	<u>\$ 248,644</u>

CITY OF MOBERLY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
MODIFIED CASH BASIS
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Inmate Security Fund	Police Forfeiture Fund	Street Improvements Fund	MODAG Grant/Loan Fund	Project Residuals Fund	ICSC/Buxton Fund	Railcar Preservation Fund	Luc CI
REVENUES								
Sales taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-	-	-	-	-
Motor vehicle and license taxes	-	-	369,870	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-
Charges for goods and services	636	-	-	-	-	-	-	-
Grants and contributions	-	-	-	-	-	-	-	-
Interest	146	-	5,893	246	539	75	7	-
Miscellaneous	-	-	21,097	-	102,314	-	-	-
Total revenues	<u>782</u>	<u>-</u>	<u>396,860</u>	<u>246</u>	<u>102,853</u>	<u>75</u>	<u>7</u>	<u>-</u>
EXPENDITURES								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Transportation	-	-	177,838	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-
Capital outlay	-	-	54,813	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>232,651</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>782</u>	<u>-</u>	<u>164,209</u>	<u>246</u>	<u>102,853</u>	<u>75</u>	<u>7</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)								
Debt proceeds	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>782</u>	<u>-</u>	<u>164,209</u>	<u>246</u>	<u>102,853</u>	<u>75</u>	<u>7</u>	<u>-</u>
Fund balances - beginning (as restated)	<u>12,573</u>	<u>4,320</u>	<u>470,555</u>	<u>21,537</u>	<u>47,149</u>	<u>6,548</u>	<u>580</u>	<u>-</u>
Fund balances - ending	<u>\$ 13,355</u>	<u>\$ 4,320</u>	<u>\$ 634,764</u>	<u>\$ 21,783</u>	<u>\$ 150,002</u>	<u>\$ 6,623</u>	<u>\$ 587</u>	<u>\$ -</u>

CITY OF MOBERLY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Original</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes:				
Sales	\$ 2,485,000	\$ 2,485,000	\$ 2,507,785	\$ 22,785
Franchise	2,190,000	2,190,000	1,854,183	(335,817)
Property	1,067,500	1,067,500	1,146,866	79,366
Motor vehicle and license	185,000	185,000	181,263	(3,737)
Other	592,500	632,500	585,878	(46,622)
Licenses, permits and fees	361,450	361,450	326,178	(35,272)
Charges for goods and services	711,149	711,149	613,995	(97,154)
Grants and contributions	68,035	68,035	25,181	(42,854)
Interest	30,300	30,300	22,310	(7,990)
Miscellaneous	85,500	85,500	223,855	138,355
Total revenues	<u>7,776,434</u>	<u>7,816,434</u>	<u>7,487,494</u>	<u>(328,940)</u>
EXPENDITURES				
General government	2,006,912	2,046,912	1,942,512	(104,400)
Public safety	4,056,309	4,056,309	3,860,732	(195,577)
Economic and community development	683,064	683,064	735,877	52,813
Transportation	895,116	895,116	792,405	(102,711)
Capital outlay	329,122	329,122	235,428	(93,694)
Debt service:				
Principal	-	-	93,242	93,242
Interest	-	-	9,928	9,928
Total expenditures	<u>7,970,523</u>	<u>8,010,523</u>	<u>7,670,124</u>	<u>(340,399)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(194,089)</u>	<u>(194,089)</u>	<u>(182,630)</u>	<u>11,459</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	194,089	194,089	5,434	(188,655)
Transfers (out)	-	-	(285,462)	(285,462)
Total other financing sources (uses)	<u>194,089</u>	<u>194,089</u>	<u>(280,028)</u>	<u>(474,117)</u>
Net change in fund balance	-	-	(462,658)	(462,658)
Fund balance - beginning (as restated)	<u>2,294,312</u>	<u>2,294,312</u>	<u>2,294,312</u>	<u>-</u>
Fund balance - ending	<u>\$ 2,294,312</u>	<u>\$ 2,294,312</u>	<u>\$ 1,831,654</u>	<u>\$ (462,658)</u>

CITY OF MOBERLY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT TRUST FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Original</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Sales taxes	\$ 1,185,000	\$ 1,185,000	\$ 1,197,326	\$ 12,326
Interest	27,800	27,800	17,568	(10,232)
Total revenues	<u>1,212,800</u>	<u>1,212,800</u>	<u>1,214,894</u>	<u>2,094</u>
EXPENDITURES				
General government	81,325	81,325	291,639	210,314
Capital outlay	1,595,000	1,595,000	12,147	(1,582,853)
Total expenditures	<u>1,676,325</u>	<u>1,676,325</u>	<u>303,786</u>	<u>(1,372,539)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(463,525)</u>	<u>(463,525)</u>	<u>911,108</u>	<u>1,374,633</u>
OTHER FINANCING USES				
Transfers out	<u>(533,957)</u>	<u>(533,957)</u>	<u>(869,129)</u>	<u>(335,172)</u>
Total other financing uses	<u>(533,957)</u>	<u>(533,957)</u>	<u>(869,129)</u>	<u>(335,172)</u>
Net change in fund balance	<u>(997,482)</u>	<u>(997,482)</u>	<u>41,979</u>	<u>1,039,461</u>
Fund balance - beginning (as restated)	<u>1,072,112</u>	<u>1,072,112</u>	<u>1,072,112</u>	<u>-</u>
Fund balance - ending	<u>\$ 74,630</u>	<u>\$ 74,630</u>	<u>\$ 1,114,091</u>	<u>\$ 1,039,461</u>

CITY OF MOBERLY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS
BUDGET AND ACTUAL
PARKS AND RECREATION FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Original</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes:				
Property	\$ 521,800	\$ 527,800	\$ 529,879	\$ 2,079
Other	5,000	5,000	4,801	(199)
Charges for goods and services	345,500	345,500	233,497	(112,003)
Grants and contributions	38,000	65,000	-	(65,000)
Miscellaneous	10,000	40,000	72,446	32,446
Total revenues	<u>920,300</u>	<u>983,300</u>	<u>840,623</u>	<u>(142,677)</u>
EXPENDITURES				
Parks and recreation	1,435,649	1,435,649	1,441,207	5,558
Capital outlay	625,300	810,300	789,106	(21,194)
Total expenditures	<u>2,060,949</u>	<u>2,245,949</u>	<u>2,230,313</u>	<u>(15,636)</u>
Deficiency of revenues under expenditures	<u>(1,140,649)</u>	<u>(1,262,649)</u>	<u>(1,389,690)</u>	<u>(127,041)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>1,140,649</u>	<u>1,262,649</u>	<u>1,389,405</u>	<u>126,756</u>
Total other financing sources	<u>1,140,649</u>	<u>1,262,649</u>	<u>1,389,405</u>	<u>126,756</u>
Net change in fund balance	-	-	(285)	(285)
Fund balance - beginning (as restated)	<u>7,622</u>	<u>7,622</u>	<u>7,622</u>	<u>-</u>
Fund balance - ending	<u>\$ 7,622</u>	<u>\$ 7,622</u>	<u>\$ 7,337</u>	<u>\$ (285)</u>

CITY OF MOBERLY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS
BUDGET AND ACTUAL
PARK SALES TAX TRUST FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Original</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes:				
Sales	\$ 1,185,000	\$ 1,185,000	\$ 1,196,743	\$ 11,743
Other	100,000	100,000	118,656	18,656
Interest	17,100	17,100	4,150	(12,950)
Total revenues	<u>1,302,100</u>	<u>1,302,100</u>	<u>1,319,549</u>	<u>17,449</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	53,460	53,460
Transfers (out)	(1,329,649)	(1,329,649)	(1,550,017)	(220,368)
Total other financing uses	<u>(1,329,649)</u>	<u>(1,329,649)</u>	<u>(1,496,557)</u>	<u>(166,908)</u>
Net change in fund balance	(27,549)	(27,549)	(177,008)	(149,459)
Fund balance - beginning	686,556	686,556	686,556	-
Fund balance - ending	<u>\$ 659,007</u>	<u>\$ 659,007</u>	<u>\$ 509,548</u>	<u>\$ (149,459)</u>

CITY OF MOBERLY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS
BUDGET AND ACTUAL
TRANSPORTATION TRUST FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Original</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Sales taxes	\$ 1,185,000	\$ 1,185,000	\$ 1,197,779	\$ 12,779
Grants and contributions	1,293,000	1,293,000	171,233	(1,121,767)
Interest	26,700	26,700	18,833	(7,867)
Miscellaneous	20,000	20,000	39,083	19,083
Total revenues	<u>2,524,700</u>	<u>2,524,700</u>	<u>1,426,928</u>	<u>(1,097,772)</u>
EXPENDITURES				
Transportation	1,724,025	1,724,025	758,452	(965,573)
Capital outlay	950,000	950,000	902,921	(47,079)
Total expenditures	<u>2,674,025</u>	<u>2,674,025</u>	<u>1,661,373</u>	<u>(1,012,652)</u>
Deficiency of revenues under expenditures	<u>(149,325)</u>	<u>(149,325)</u>	<u>(234,445)</u>	<u>(85,120)</u>
OTHER FINANCING SOURCES				
Transfers in	-	-	335,172	335,172
Total other financing sources	<u>-</u>	<u>-</u>	<u>335,172</u>	<u>335,172</u>
Net change in fund balance	(149,325)	(149,325)	100,727	250,052
Fund balance - beginning (as restated)	<u>1,432,760</u>	<u>1,432,760</u>	<u>1,432,760</u>	<u>-</u>
Fund balance - ending	<u>\$ 1,283,435</u>	<u>\$ 1,283,435</u>	<u>\$ 1,533,487</u>	<u>\$ 250,052</u>

**CITY OF MOBERLY
LAGERS (PENSION PLAN)
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS
June 30, 2020**

	2020	2019	2018	2017	2016	2015
Total pension liability						
Service cost	\$ 491,145	\$ 507,622	\$ 480,252	\$ 432,367	\$ 438,332	\$ 457,447
Interest on the total pension liability	2,006,456	1,965,673	1,930,051	1,857,428	1,803,146	1,767,608
Difference between expected and actual experience	(60,428)	(225,346)	(294,174)	336,659	(684,226)	(339,359)
Changes in assumptions	-	-	-	-	733,161	-
Benefit payments, including refunds	(1,662,216)	(1,691,899)	(1,586,437)	(1,708,021)	(1,375,279)	(1,396,636)
Net change in total pension liability	774,957	556,050	529,692	918,433	915,134	489,060
Total pension liability beginning	28,250,548	27,694,498	27,164,806	26,246,373	25,331,239	24,842,179
Total pension liability ending	<u>\$ 29,025,505</u>	<u>\$ 28,250,548</u>	<u>\$ 27,694,498</u>	<u>\$ 27,164,806</u>	<u>\$ 26,246,373</u>	<u>\$ 25,331,239</u>
Plan fiduciary net position						
Contributions - employer	\$ 522,811	\$ 465,987	\$ 440,592	\$ 399,480	\$ 430,772	\$ 441,997
Pension plan net investment income	385,080	1,964,625	3,328,352	3,186,635	(89,900)	538,229
Benefit payments, including refunds	(1,662,216)	(1,691,899)	(1,586,437)	(1,708,021)	(1,375,279)	(1,396,636)
Pension plan administrative expense	(40,459)	(35,485)	(25,265)	(24,355)	(24,221)	(26,469)
Other	1,626	179,769	(597,566)	(65,932)	(7,007)	(494,508)
Net change in plan fiduciary net position	(793,158)	882,997	1,559,676	1,787,807	(1,065,635)	(937,387)
Plan fiduciary net position beginning	31,181,272	30,298,275	28,738,599	26,950,792	28,016,427	28,953,814
Plan fiduciary net position ending	<u>\$ 30,388,114</u>	<u>\$ 31,181,272</u>	<u>\$ 30,298,275</u>	<u>\$ 28,738,599</u>	<u>\$ 26,950,792</u>	<u>\$ 28,016,427</u>
City's net pension liability (asset)	<u>\$ (1,362,609)</u>	<u>\$ (2,930,724)</u>	<u>\$ (2,603,777)</u>	<u>\$ (1,573,793)</u>	<u>\$ (704,419)</u>	<u>\$ (2,685,188)</u>
Plan fiduciary net position as a percentage of the total pension	104.69%	110.37%	109.40%	105.79%	102.68%	110.60%
Covered payroll	\$ 4,724,324	\$ 4,522,902	\$ 4,743,678	\$ 4,284,169	\$ 4,265,295	\$ 4,294,269
City's net pension liability (asset) as a percentage of covered payroll	28.84%	64.80%	54.89%	36.74%	16.52%	62.53%

Note: This schedule will ultimately contain ten years of data.

**CITY OF MOBERLY
LAGERS (PENSION PLAN)
SCHEDULE OF CONTRIBUTIONS –
LAST TEN FISCAL YEARS
June 30, 2020**

	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 546,167	\$ 510,279	\$ 465,319	\$ 434,062	\$ 480,456
Contributions in relation to the actuarially determined contribution	509,192	465,367	441,189	400,244	429,843
Contribution deficiency (excess)	<u>\$ 36,975</u>	<u>\$ 44,912</u>	<u>\$ 24,130</u>	<u>\$ 33,818</u>	<u>\$ 50,613</u>
Covered payroll	\$ 4,724,324	\$ 4,522,902	\$ 4,743,678	\$ 4,284,169	\$ 4,265,295
Contributions as a percentage of covered payroll	10.78%	10.29%	9.30%	9.34%	10.08%
	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 508,558	\$ 514,476	\$ 545,032	\$ 529,895	\$ 506,477
Contributions in relation to the actuarially determined contribution	442,617	420,065	376,259	342,657	296,314
Contribution deficiency (excess)	<u>\$ 65,941</u>	<u>\$ 94,411</u>	<u>\$ 168,773</u>	<u>\$ 187,238</u>	<u>\$ 210,163</u>
Covered payroll	\$ 4,294,269	\$ 4,216,293	\$ 4,216,066	\$ 4,346,395	\$ 4,333,491
Contributions as a percentage of covered payroll	10.31%	9.96%	8.92%	7.88%	6.84%

INTERNAL CONTROL AND COMPLIANCE



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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the City Council
City of Moberly

We have audited, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the modified cash basis financial statements of each major fund and the aggregate remaining fund information of the City of Moberly (the City), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 13, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* for considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

William K. Keiper, LLC

November 13, 2020

**CITY OF MOBERLY
MANGEMENT LETTER
FOR THE YEAR ENDED
JUNE 30, 2020**



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November 13, 2020

To the City Council
of the City of Moberly

In planning and performing our audit of the modified cash basis financial statements of each major fund and the aggregate remaining fund information of the City of Moberly (the City) as of and for the year ended June 30, 2020, in accordance with U.S. generally accepted auditing standards, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

In addition, we noted matters involving internal control that we have included in Attachment A. These recommendations are opportunities for the City to enhance its internal control.

This communication is intended solely for the information and use of management, the City Council, and others within the City, and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate the opportunity to be of service.

Sincerely,

Williams Keepers LLC

WILLIAMS-KEEPERS LLC

ATTACHMENT A

CONTINUING OTHER RECOMMENDATIONS

Access to the Accounting Software

We noted some of the City's employees have full access to the accounting software. This creates a lack of control over the software where employees could potentially alter, corrupt, or delete financial information.

We recommend the City review the access granted to the accounting software. In general, employees should only be given access to the modules in the software to which they have a logical need for such access.

Information Technology

We noted the City does not have a formal IT or security policy. We also noted the City does not have a password policy including complexity requirements (i.e. a certain number of characters, including both lower- and upper-case letters, numbers, symbols, etc.), requiring passwords to be changed (and not reused), etc. A lack of such policies increases the City's susceptibility to fraud and other risks.

We recommend the City develop a formal IT or security policy, including a password policy.

Interfund Balances

We noted the balances receivable and payable between the City's funds either continue to grow or remain the same each year, instead of being removed by interfund transfers.

We recommend the City's funds either repay each other or the City record interfund transfers in order to remove these balances.

Special Revenue Funds

We noted the City has numerous special revenue funds, some of which are inactive and/or rarely used.

We recommend the City assess which special revenue funds need to be accounted for/tracked separately and consider combining the other funds into one fund for accounting and financial reporting purposes.

PRIOR YEAR OTHER RECOMMENDATIONS IMPLEMENTED

Bank Reconciliations

In the prior year, we noted bank reconciliations weren't being performed on the City's accounts that normally didn't have a bank balance at the end of the month.

We recommended the City monitor these accounts and if they had a bank balance at the end of the month, they should be reconciled and recorded on the City's books.

Status: The City monitored, reconciled, and recorded these accounts in the current year.

Prepaid Expenses

In the prior year, we noted the City's only modification to the cash basis of accounting resulted from recording prepaid expenses related to certain cash transactions. Specifically, the City's annual payment to the Missouri Intergovernmental Risk Management Association (MIRMA) is automatically withdrawn from one of its accounts prior to yearend for the following year; however, the City historically had not recorded the payment as expenditures/expenses until the following year, resulting in prepaid expenses at yearend.

We recommended the City either: 1) continue modifying the cash basis financial statements by recording the City's annual payment to MIRMA as prepaid expenses at yearend or 2) discontinue modifying the cash basis financial statements by recording the City's annual payment to MIRMA as expenditures/expenses in the year in which the payment is made.

Status: The City continued modifying the cash basis financial statements by recording the City's annual payment to MIRMA as prepaid expenses at yearend in the current year.

**CITY OF MOBERLY
FISCAL YEAR 2020 - 2021 BUDGET**

FIVE YEAR CAPITAL IMPROVEMENT PLAN BY DEPARTMENT

Created:
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Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
City Clerk (100.002.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Document scanner	\$3,500			\$3,500			
Subtotal	\$3,500	\$0	\$0	\$3,500	\$0	\$0	\$0
<i>Five Year Average =</i>							<i>\$700</i>
Community Development (100.005.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Housing services	\$50,000	\$30,000	\$20,000				
Subdivision regulations update	\$30,000			\$30,000			
Street specifications & master plan	\$70,000				\$70,000		
Subtotal	\$150,000	\$30,000	\$20,000	\$30,000	\$70,000	\$0	\$0
<i>Five Year Average =</i>							<i>\$24,000</i>
Police (100.007.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Body cameras & video storage system (mfg. financing)	\$83,623	\$26,239	\$19,128	\$19,128	\$19,128		
Patrol car/SUV replacement	\$455,000	\$75,000		\$95,000	\$95,000	\$95,000	\$95,000
Subtotal	\$538,623	\$101,239	\$19,128	\$114,128	\$114,128	\$95,000	\$95,000
<i>Five Year Average =</i>							<i>\$87,477</i>
Fire (100.008.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Pumper truck lease-purchase (thru 2/2021)	\$124,168	\$62,084	\$62,084				
12 SCBA with bottle & mask	\$81,600		\$27,200	\$27,200	\$27,200		
Triple combination pumper truck + equipment (8 year lease purchase 2022-2030, \$545K + interest)	\$515,000			\$68,125	\$68,125	\$68,125	\$68,125
78 foot quint pumper truck + equipment (8 year lease purchase 2022-2030, \$845K + interest)	\$845,000			\$105,625	\$105,625	\$105,625	\$105,625
Used aerial truck, 95' +	\$350,000				\$350,000		
Subtotal	\$1,915,768	\$62,084	\$89,284	\$200,950	\$550,950	\$173,750	\$173,750
<i>Five Year Average =</i>							<i>\$237,737</i>
Street (100.009.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Machine shop equipment	\$30,000			\$30,000			
GeoMelt mixing station	\$15,000			\$15,000			
New shop air compressor	\$10,000			\$10,000			
Replace diagnostic software	\$11,500			\$11,500			
Replace 4-post vehicle lift	\$20,000			\$20,000			
Replace maintenance shop building (10 year financing)	\$1,500,000				\$172,500	\$172,500	\$172,500
Replace truck garage building (10 year financing)	\$500,000				\$57,500	\$57,500	\$57,500
Additional salt storage building (5 year financing)	\$100,000				\$21,500	\$21,500	\$21,500
Subtotal	\$2,186,500	\$0	\$0	\$86,500	\$251,500	\$251,500	\$251,500
<i>Five Year Average =</i>							<i>\$168,200</i>

**CITY OF MOBERLY
FISCAL YEAR 2020 - 2021 BUDGET**

FIVE YEAR CAPITAL IMPROVEMENT PLAN BY DEPARTMENT

Created:
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Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Cemetery (100.010.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Replace mowers & weed eaters	\$49,000	\$9,000		\$10,000	\$10,000	\$10,000	\$10,000
Subtotal	\$49,000	\$9,000	\$0	\$10,000	\$10,000	\$10,000	\$10,000
<i>Five Year Average =</i>							\$8,000
Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Emergency Management (100.012.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
2 emergency alert sirens	\$68,250	\$26,180		\$37,000	\$26,000		
Subtotal	\$68,250	\$26,180	\$0	\$37,000	\$26,000	\$0	\$0
<i>Five Year Average =</i>							\$12,600
General Fund subtotal	\$4,911,641	\$228,503	\$128,412	\$482,078	\$1,022,578	\$530,250	\$291,350

Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Heritage Hills Golf Course (114.000.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
2 greens mowers	\$68,250		\$85,000				
Subtotal	\$68,250	\$0	\$85,000	\$0	\$0	\$0	\$0
<i>Five Year Average =</i>							\$17,000

Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Parks (115.041.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Depot Park Pavilion and Restroom	\$190,000		\$190,000				
Pool fencing	\$16,000		\$16,000				
Concrete for solar pavilions (pool & Riley Pavilion)	\$80,000		\$80,000				
Truck replacement (2021= 2 trucks)	\$145,000	\$25,000		\$45,000	\$25,000	\$25,000	\$25,000
UTV replacement	\$15,000			\$15,000			
Replace lighting on Rothwell fields	\$100,000			\$50,000	\$50,000		
Skid steer loader replacement	\$45,000				\$45,000		
Replace mowers	\$3,600					\$3,600	
Subtotal	\$594,600	\$25,000	\$286,000	\$110,000	\$120,000	\$28,600	\$25,000
<i>Five Year Average =</i>							\$113,920

Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Athletic Complex (115.048.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
UTV replacement	\$42,000	\$10,000		\$32,000			
Field groomer	\$25,000			\$25,000			
Truck replacement	\$25,000				\$25,000		
Golf cart replacement	\$20,000				\$20,000		
Mower replacement	\$39,000	\$15,000				\$24,000	
Subtotal	\$151,000	\$25,000	\$0	\$57,000	\$45,000	\$24,000	\$0
<i>Five Year Average =</i>							\$25,200

**CITY OF MOBERLY
FISCAL YEAR 2020 - 2021 BUDGET**

FIVE YEAR CAPITAL IMPROVEMENT PLAN BY DEPARTMENT

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Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Utilities - Distribution & Collection (301.112.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Large Vector truck replacement (4 year lease purchase)	\$235,752	\$78,584	\$78,584	\$78,584			
Pickup truck replacement	\$210,000	\$35,000	\$35,000	\$70,000	\$70,000		
Water valve replacement program	\$300,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
JD backhoe replacement (3 year lease purchase)	\$120,000		\$40,000	\$40,000	\$40,000		
2005 dump truck replacement (3 year lease purchase)	\$100,000		\$40,000	\$30,000	\$30,000		
Backwater valve program	\$120,000			\$30,000	\$30,000	\$30,000	\$30,000
2010 dump truck replacement (3 year lease purchase)	\$100,000				\$40,000	\$30,000	\$30,000
Small Vector truck replacement (4 year lease purchase)	\$300,000				\$100,000	\$100,000	\$100,000
Case backhoe replacement (3 year lease purchase)	\$90,000					\$45,000	\$45,000
Large Vector truck replacement (4 year lease purchase)	\$80,000						\$80,000
Flow meters & smart covers (SRF project)	\$100,000		\$50,000	\$50,000			
Sewer main rehabilitation projects (SRF project)	\$2,000,000			\$500,000	\$500,000	\$500,000	\$500,000
Subtotal	\$3,755,752	\$163,584	\$243,584	\$298,584	\$360,000	\$255,000	\$335,000
<i>Five Year Average =</i>							\$298,434
Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Utilities - Water Treatment (301.113.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Filter & benchtop turbidimeter	\$20,000		\$20,000				
Truck replacement (Ranger)	\$40,000			\$40,000			
Pickup truck replacement (plant)	\$40,000				\$40,000		
Repair upflow clarifiers (SRF project)	\$550,000		\$50,000	\$500,000			
Engineering for clearwell baffles (SRF project)	\$100,000			\$100,000			
Baffle in round clearwell (SRF project)	\$500,000				\$500,000		
Baffle in clearwell under plant (SRF project)	\$500,000				\$500,000		
Subtotal	\$1,750,000	\$0	\$20,000	\$40,000	\$40,000	\$0	\$0
<i>Five Year Average =</i>							\$20,000
Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Utilities - Wastewater Treatment (301.114.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Replace sludge basin #1 mixers	\$50,000		\$50,000				
Roof replacements	\$100,000		\$100,000				
Replace sludge reel	\$50,000		\$50,000				
Clean Taylor Street CSO	\$50,000		\$50,000				
Replace digester mixers	\$120,000			\$120,000			
4" Trailer-mounted pump	\$45,000			\$45,000			
Zero-turn mower	\$12,000			\$12,000			
Pickup truck replacement	\$25,000			\$25,000			
Clean 7 Bridges lagoon (SRF project)	\$550,000		\$550,000				
Clean sludge basins @ plant (SRF project)	\$250,000		\$250,000				
Clean Rollins lagoon (SRF project)	\$350,000		\$350,000				
N Morley lift station upgrades (SRF project)	\$1,000,000		\$1,000,000				

**CITY OF MOBERLY
FISCAL YEAR 2020 - 2021 BUDGET**

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Project in 5 year CIP

Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Utilities - Wastewater Treatment (301.114.5502) (cont'd.)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Northwest pump station (SRF Project)	\$2,950,000		\$150,000	\$2,800,000			
Biosolids land application improvements (SRF project)	\$300,000		\$100,000	\$100,000	\$100,000		
Darwood lift station screen (SRF project)	\$250,000			\$250,000			
Replace East Rollins lift station (SRF project)	\$2,230,000			\$390,000	\$1,840,000		
Heritage Hills sewer connection (SRF project)	\$350,000				\$350,000		
Subtotal	\$8,682,000	\$0	\$250,000	\$202,000	\$0	\$0	\$0
<i>Five Year Average =</i>							<i>\$90,400</i>
Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Capital Improvement Sales Tax Trust (304.000.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
N Morley/Hwy 24 water main/sidewalk project	\$200,000	\$200,000					
Plumrose booster pump station	\$500,000		\$500,000				
Sugar Creek Lake dam repairs	\$400,000		\$400,000				
Harrison Ave. & Garfield Ave. water mains	\$600,000	\$400,000	\$200,000				
GIS system upgrades	\$240,000		\$80,000	\$80,000	\$80,000		
Downtown NID payments (2021-2038)	\$402,500		\$80,500	\$80,500	\$80,500	\$80,500	\$80,500
Sturgeon St water main replacement (SRF project)	\$700,000		\$700,000				
S Morley water main replacement (SRF project)	\$1,600,000		\$1,600,000				
Sparks Avenue lift station (SRF project)	\$625,000		\$625,000				
Logan St water main loop (SRF project)	\$2,350,000			\$200,000	\$2,150,000		
Subtotal	\$7,617,500	\$600,000	\$1,260,500	\$160,500	\$160,500	\$80,500	\$80,500
<i>Five Year Average =</i>							<i>\$348,500</i>
Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Emergency Telephone Fund (400.000.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
MC550 Two Position Dispatch Radio	\$160,338	\$127,470	\$32,868				
Subtotal	\$160,338	\$127,470	\$32,868	\$0	\$0	\$0	\$348,500
<i>Five Year Average =</i>							<i>\$76,274</i>
Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Transportation Trust (600.000.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Street overlay/slurry seal	\$3,500,000	\$500,000	\$500,000	\$550,000	\$600,000	\$650,000	\$700,000
Repave maintenance facility parking lot	\$50,000				\$50,000		
Subtotal	\$3,550,000	\$500,000	\$500,000	\$550,000	\$650,000	\$650,000	\$700,000
<i>Five Year Average =</i>							<i>\$610,000</i>
Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Street Improvement (601.000.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Small equipment	\$19,000	\$8,000	\$2,000	\$2,000	\$2,000	\$2,000	\$3,000
Pickups/utility trucks replacement	\$247,000	\$44,000	\$35,000	\$36,000	\$47,000	\$47,000	\$38,000
Snow plows for trucks (8)	\$43,500	\$6,000	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
Salt machines for light trucks	\$36,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
1 ton truck with utility body for tool storage (2 year financing)	\$57,000		\$28,500	\$28,500			

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Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Street Improvement (601.000.5502) {cont'd.}	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Used tandem axle dump truck with snow plow (3 year fin.)	\$135,000		\$45,000	\$45,000	\$45,000		
Sickle mower - mid mount	\$20,000		\$20,000				
Skid loader with brush hog & plow (2 year financing)	\$76,000		\$38,000	\$38,000			
Replace traffic control equipment (cones, signs, barricades, etc.)	\$10,000		\$10,000				
Waste oil furnace with oil tank	\$8,500		\$8,500				
Tilt deck trailer	\$7,500		\$7,500				
Replace street sweeper	\$108,000		\$36,000	\$36,000	\$36,000		
6-way rear hydraulic blade for John Deere tractor	\$8,000		\$8,000				
Forklift	\$20,000		\$20,000				
Wheel loader replacement	\$100,000			\$50,000	\$50,000		
New single axle dump truck, spreader, & plow (3 year fin.)	\$165,000			\$55,000	\$55,000	\$55,000	
New single axle dump truck, spreader, & plow (3 year fin.)	\$165,000					\$55,000	\$55,000
1,000cc 4x4 UTV	\$27,000	\$12,000					\$15,000
Subtotal	\$345,500	\$64,000	\$272,000	\$51,500	\$62,500	\$62,500	\$54,500
<i>Five Year Average =</i>						\$100,600	
GRAND TOTAL ALL DEPARTMENTS	\$32,493,581	\$1,745,557	\$8,503,364	\$7,094,162	\$8,586,578	\$2,240,850	\$1,070,850

Note: Items in red in departments 301.112, 301.113, 301.114, and 304.000 noted as SRF projects will be funded by the SRF (State Revolving Fund) program as a result of the June 2, 2020 election in which the Moberly citizens authorized the issuance of \$18 million in bonds for water & sewer system repairs. This program offers federally subsidized low-interest loans for municipalities to reduce the burden of replacing and repairing aging water and sewer infrastructure. These amounts are not included in the annual totals for items in each department.

Lichti, Tobin

From: Mary West <mwc@cityofmoberly.com>
Sent: Wednesday, February 10, 2021 3:10 PM
To: Lichti, Tobin
Subject: [EXTERNAL] water and energy efficiency projects

Tobin,

As part of the water and energy efficiency projects completed last year the City contracted for the following work (all were approved for BizSaver grants from Ameren):

Replaced 3-100 hp blowers and installed variable frequency drives for the blowers at the Wastewater Treatment Plant
Replaced all air diffuser socks at the WWTF to increase air exchange efficiency
Installed solar panels at several wastewater facilities including lift stations and the wastewater plant

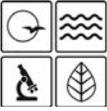
Installed 3 VFDs on 100 hp high service pumps at the Water Plant including upgraded motor control center
Installed solar panels at the Water Treatment Plant, and the Pump House at Sugar Creek Lake
Upgraded iconrol programming/PLC/Scada and firewalls at water towers and pump house

The solar projects were completed in 2019.

We are also in the process of replacing all water meters in the system and installing new AMI meter reading equipment and software. This is anticipated to help our non-revenue water problem, and thereby increasing water and sewer revenues. This work included a full system inventory of lead service lines to allow for a schedule to replace the lead service lines that the City maintains between the meter and the main. We hope by achieving better meter accuracy we will be able to identify loss due to leaks and begin an aggressive leak detection program to target repairs.

Sincerely,
Mary West-Calcano
Director of Public Utilities
City of Moberly, MO
(660) 269-7659
mwc@cityofmoberly.com

What people believe prevails over truth. Sophocles



MISSOURI DEPARTMENT OF NATURAL RESOURCES
 WATER PROTECTION PROGRAM, FINANCIAL ASSISTANCE CENTER
CLEAN WATER STATE REVOLVING FUND LOAN APPLICATION

FOR OFFICE USE ONLY	WS #3.
	DATE RECEIVED
	FINANCIAL CODE
PRIORITY POINTS	

This application is for a Clean Water State Revolving Fund Loan described in 10 CSR 20-4.040.
 Submit application to Missouri Department of Natural Resources, Financial Assistance Center
 P.O. Box 176, Jefferson City, MO 65102-0176. Please type or print legibly.

1. APPLICANT INFORMATION

NAME OF APPLICANT City of Moberly		DUNS NUMBER 080020845	
<input checked="" type="checkbox"/> Incorporated Municipality <input type="checkbox"/> Public Water/Sewer District <input type="checkbox"/> Other:			
APPLICANT TELEPHONE NUMBER WITH AREA CODE (660) 269-7659 Ext.		APPLICANT FAX NUMBER WITH AREA CODE (660) 269-8171	
APPLICANT MAILING ADDRESS 101 West Reed Street		APPLICANT EMAIL ADDRESS dulmer@cityofmoberly.com	
CITY Moberly	STATE MO	ZIP CODE + FOUR 65270	COUNTY Randolph
AUTHORIZED REPRESENTATIVE NAME Brian Crane		AUTHORIZED REPRESENTATIVE TITLE City Manager	
NAME OF PERSON TO CONTACT ABOUT THIS APPLICATION Dana Ulmer		TELEPHONE NUMBER WITH AREA CODE (660) 269-7659 Ext.	

2. ARCHITECTURAL AND ENGINEERING CONSULTANT INFORMATION

CONSULTING FIRM'S NAME Jacobs Engineering Group, Inc		CONSULTANT'S NAME Tobin Lichti	
CONSULTANT MAILING ADDRESS 501 North Broadway		EMAIL ADDRESS tobin.lichti@jacobs.com	
CITY St. Louis	STATE MO	ZIP CODE + FOUR 63102	
CONSULTANT TELEPHONE NUMBER WITH AREA CODE (314) 335-4550 Ext.		CONSULTANT FAX NUMBER WITH AREA CODE (314) 335-5141	

3. GENERAL AND FINANCIAL INFORMATION

POPULATION (CURRENT CENSUS) 13615		POPULATION OF AREA TO BE SERVED 13615	
U.S. CONGRESSIONAL DISTRICT NUMBER(S) 4	STATE SENATE DISTRICT NUMBER(S) 18	STATE REPRESENTATIVE DISTRICT NUMBER(S) 6	
MEDIAN HOUSEHOLD INCOME (CURRENT CENSUS) 39225		NUMBER OF CUSTOMERS 5268	
CURRENT MONTHLY SEWER RATE (for 5,000 gallons) \$ 66.34		PROPOSED MONTHLY SEWER RATE (for 5,000 gallons) \$ 66.34	
SEWER REVENUES FOR MOST RECENT YEAR ENDED \$ 3137984.51		FISCAL YEAR END FOR DATA USED ON APPLICATION 2022	
SEWER OPERATING EXPENDITURES FOR MOST RECENT YEAR \$ 2001277.27			
SYSTEM OUTSTANDING DEBT \$ 4830000		ANY DEBT HELD BY USDA RURAL DEVELOPMENT? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
EXISTING ANNUAL DEBT SERVICE \$ 1060714.08			
WHAT IS YOUR COLLECTION DELINQUENCY RATE? 3.8 %		ARE YOU CURRENTLY FUNDING DEPRECIATION? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
FROM A FINANCIAL STANDPOINT, DO YOU HAVE A COMBINED WATER AND SEWER SYSTEM? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Does the applicant have a fiscal sustainability plan? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No See Form MO 780- 2661 (06-16) <i>A fiscal sustainability plan or certification is not required when the department is purchasing debt obligations (e.g. municipal bonds)</i>			

4. PROPOSED PROJECT INFORMATION

<input type="checkbox"/> Point Source Project		<input type="checkbox"/> Non-Point Source Project	
<input type="checkbox"/> Green Project Components (See Instructions)		Decentralized/Cluster Wastewater System	<input type="checkbox"/>
Design-Build (See Instructions) <input type="checkbox"/> Yes <input type="checkbox"/> No		On-Site System Rehabilitation/Replacement	<input type="checkbox"/>
		Other Non-Point Source Project	<input type="checkbox"/>

Project Description. Include Green Project Components, if applicable (Attach Engineering Report):

Rollins Street CSO Basin and Lift Station serves to control flows from a Moberly combined sewer and discharge to the WWTP influent in a user controlled rate. This rate control is now manual, with only gross control available. The project seeks to achieve finite flow control with remote monitoring of flow rate and PLC control of same. Additional elements of the project will include basin sludge removal, raising of operating level, new lift station with pump VFDs and PLC control system, and odor control as the site is very near both residential and local hospital. The addition of in-line grinding to two lift stations for pump protection at both McKinsey LS and Darwood LS.

5. PERMIT INFORMATION

List National Pollutant Discharge Elimination System, or NPDES, Permit Number(s) of Water or Wastewater facilities affected by this project:

MO-0117960	MO-0095605	MO-0035599
M-0045021		

List Non-Permitted facilities to be eliminated by this project (attach list if necessary):

Name	Population Served	Type and Condition of Facility

6. PROJECT COST INFORMATION

Cost Estimate Dated: 12/16/2019		Cost Breakdown for EPA Designated Categories	
Engineering Planning and Design	\$	I. Secondary Treatment	\$
Engineering (Construction Phase)	\$	II. Advanced Treatment	\$
Engineering Inspection	\$	IIIA. Inflow/Infiltration Correction	\$
Land and Easements	\$	IIIB. Sewer Rehabilitation	\$
Construction	\$	IVA. Collection Sewers	\$
Equipment	\$	IVB. Interceptor Sewers	\$
SRF Closing Costs (estimate 5 percent)	\$	V. Combined Sewer Overflow Correction	\$
Other Costs (specify)	\$	VI. Storm Water	\$
Contingencies	\$	VII. Non-Point Source	\$
Refinancing	\$	X. Effluent Recycling/Reuse Total Project Costs	\$
Total Project Costs	\$	Total Project Costs	\$
Funding Request (this application only)	\$	Funding Committed From Other Sources*	\$

* Documentation committing other funds must be submitted with the application.

7. DEBT INSTRUMENT

A. Bonds	B. Capital Improvements Sales Tax
Date of Bond Election 06/02/2020	Date of Election 06/02/2020
Type of Bond Revenue Bond	Dedicated? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Amount of Bond \$ 18000000	Sunset Provision? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

C. Other (specify):

If a bond or tax issue has already been voted, please provide the following information.

- Affidavit of Publication of the Notice of Election
- Notice to Election Authority
- Ordinance/Resolution Calling the Election
- Copy of the Official Ballot
- Certified Election Results (Abstract of Votes)
- Minutes and Notice of Meeting Approving the Ordinance/Resolution

8. BOARD TRAINING

List any board training(s) related to wastewater utility management that current board members have attended in the last three years:

Missouri Municipal League Annual Meeting, 2019, 2020
 Missouri Rural Water Training
 Cole Davis
 Tim Bruebaker

9. WATERSHED SUSTAINABILITY INFORMATION

WATER BODY AFFECTED BY PROPOSED PROJECT

- Check if this is the receiving water body
- Check if the body is classified
- If affected water body is not classified, provide the nearest downstream water body

Will the proposed project address an identified watershed problem? Yes No If yes, provide supporting documentation.

Does the proposed project serve more than one community? Yes No If yes, identify communities:

--	--	--

Does the proposed project eliminate the need for multiple wastewater treatment facilities? Yes No

Does the proposed project include measures to reduce demand for POTW capacity through water conservation, efficiency, or reuse?
 Yes No If yes, provide supporting documentation.

Does the proposed project include components for reusing or recycling wastewater, stormwater, or subsurface drainage water?
 Yes No If yes, provide supporting documentation.

Does the proposed project include green infrastructure components? Yes No If yes, provide supporting documentation.

Does the proposed project include energy efficiency components? Yes No If yes, provide supporting documentation.

Does the proposed project address groundwater pollution? Yes No

GROUNDWATER IS USED FOR:

OTHER PROBLEMS ADDRESSED:

10. PROJECT TYPE (CHECK ALL THAT APPLY)

- Combined sewer overflow/sanitary sewer overflow Number of overflows per year: 12
- Wastewater Treatment Facility (specify) Antidegradation report submitted? Yes No N/A
 - New facility
 - Increase capacity/increase level of treatment
 - Rehabilitation/process improvement
- Failing or failed on-site wastewater disposal system Percentage of systems failing: _____ %
 - On-site system replacement/rehabilitation
 - Construction of a decentralized wastewater system
 - New collection system
- Collection system rehabilitation primarily to address inflow/infiltration
- New collection system
- Upgrade or expansion of existing collection system
- Storm water detention
- Agricultural Best Management Practice
- Landfill capping, leachate collection, side slope seepage prevention and control system, and monitoring wells

The project addresses groundwater pollution by:

- Addressing problems caused by petroleum storage tanks
- Addressing problems caused by a hazardous waste site participating in the department's Voluntary Cleanup Program
- Addressing water quality problems caused by inadequate landfill leachate collection systems

The project considers aquatic/riparian habitat by:

- Including measures to restore aquatic/riparian habitat and/or to prevent aquatic/riparian degradation

11. PROJECT SCHEDULE REQUIRED BY 10 CSR 20-4.040 (attach compliance schedule if applicable)

Milestone	Anticipated Date
A. Antidegradation Report (any new, expanded or upgraded wastewater treatment)	
B. Engineering Report and Facility Plan complete	2/29/2020
C. All other funding is secured (if necessary, bonds are voted)	
D. Engineering Plans and Specifications complete	
E. Construction start date	
F. Initiation of operations	
G. Project completion date	

12. THE FOLLOWING INFORMATION IS REQUIRED BY 10 CSR 20-4.040 AND MUST BE INCLUDED WITH THIS APPLICATION FORM:

- A project summary that includes the need for the project : Facility plan sent with application
 - The project components including maps or drawings showing the project location
 - A cost estimate including a cost breakdown
- The most recent financial statement/audit

13. SUPPLEMENTAL INFORMATION – DOCUMENTATION MUST BE ATTACHED

WS #3.

- User charge system budgets showing revenues and expenses for the past five years.
- Documentation showing that an inflow/infiltration reduction program has been in place for the fast five years.
- Water or Energy Conservation Plan
- Proposed project is specifically identified in the applicant's master wastewater or capital improvement plan. (Master wastewater or capital improvement plan should be for a period of five or more years).
- Documentation indicating the percentage of failed on-site wastewater disposal systems to be replaced or rehabilitated.
- Governing board has received training related to the management and operation of wastewater infrastructure in the last three years.

CERTIFICATION:

The undersigned representative certifies that the information submitted in this application is true and correct to the best of his/her knowledge and that he/she is authorized to sign and submit this application. The applicant agrees, if a loan is awarded on the basis of this application, to comply with all applicable terms, conditions and procedures of the Department of Natural Resources, the applicable rules and regulations of the Missouri Clean Water Commission and the terms and conditions of the loan agreement.

Incomplete applications will be returned.

SIGNATURE OF AUTHORIZED REPRESENTATIVE	DATE
--	------

NAME AND OFFICIAL TITLE (TYPE OR PRINT)	TELEPHONE NUMBER WITH AREA CODE Ext.
---	---

PREPARER'S NAME AND SIGNATURE (IF APPLICABLE)

SIGNATURE OF PREPARER	DATE
-----------------------	------

NAME AND TITLE (PRINT OR TYPE)	TELEPHONE NUMBER WITH AREA CODE Ext.
--------------------------------	---

Clean Water State Revolving Fund Loan Application Instructions for Form 780-1951

Note: Any funding assistance is subject to all State Revolving Fund (SRF) requirements. Potential applicants should contact the Missouri Department of Natural Resources' Financial Assistance Center prior to completing and submitting an application. Please contact the Financial Assistance Center at 573-751-1192 or toll free at 800-361-4827.

1. Print or type the applicant information. Include a street address if available. The applicant is the entity that will receive the loan funds, if awarded. Prior to receiving a loan, the entity must have a DUNS (Data Universal Numbering System) number. The DUNS number is a 9 digit number established and assigned by Dun and Bradstreet Inc., or D&B, to uniquely identify business entities. A DUNS number is available from D&B by telephone at 866-705-5711 or at <http://fedgov.dnb.com/webform>. The contact noted on the application should be knowledgeable about the application and able to be contacted during business hours.
2. Include the engineering firm name and the name of the professional engineer working on the project. Engineering firms must be procured in accordance with RSMo. 8.285 – 8.291.
3. The financial information will be used to determine the applicant's financial capabilities to carry out the proposed project. Please provide the most accurate information available.

Show the population of the entire service area. "The population to be served" will be different from the census population if the project is to sewer, or construct improvements in, a portion of the municipality or district.

Provide the state senate, state representative, and congressional district number(s) for the project area.

Provide the median household income based on the most recent decennial census.

The median household income data can be found online at https://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml.

Provide the current user rate for a 5,000 gallon user and what the estimated rate will be at project completion. Use the proposed rate if the project area is currently unsewered.

Please show the total sewer system revenues for the most recent year. Show when the accounting year ended if the fiscal year used is not the calendar year. If this is a new system, write in "new system."

Show the expenditures for the sewer system for the same fiscal year.

Outstanding Debt – Show the total debt on the wastewater system, or combined system.

Existing Annual Debt Service – Show annual payments (principal and interest) on all outstanding debt listed above.

List any other types of debt instruments and funding sources such as Neighborhood Improvement District, or NID, U.S. Department of Agriculture-Rural Development, Community Development Block Grants, etc. Supporting documentation should be attached to the application.

Collection delinquency rate is defined as bills that are never collected, not bills that don't get paid by the due date but are eventually collected later.

Check if the applicant has a combined water and sewer system.

Check if the applicant has a fiscal sustainability plan for the project if it involves the repair, replacement, or expansion of a publicly owned treatment works. Please see Form MO 780-2661 for reference.

4. Point source projects include those projects that directly or indirectly impact a National Pollutant Discharge Elimination System (NPDES), or NPDES, permitted facility. In addition, a proposed project that will ultimately result in the issuance of an NPDES permit is to be considered a point source project. A non-point source project is one that does not fit the point source project description, e.g., a project to rehabilitate or replace on-site wastewater systems, the construction of a decentralized (cluster) wastewater system, or riparian corridor restoration. Provide a brief project description. Green Project Components may include the following:

- Management of stormwater runoff at the local level through the use of natural systems, or engineered systems that mimic natural systems, to treat polluted runoff.
- Water or energy efficiency improvements.
- Environmentally innovative activities.

Check if the proposed project will be Design-Build as per Section 67.5070, RSMo. A “design-build contract” shall mean any contract that furnishes architecture or engineering services and construction services either directly or through subcontracts.

5. List the wastewater discharge permit numbers for all facilities affected by the proposed project.

List the non-permitted facilities to be eliminated by the proposed project.

6. Supply the cost estimates for the project. Land acquisition, surface and subsurface easements, places to store equipment and material during construction, land needed to locate eligible projects, and land integral to the treatment process are eligible for SRF funding. Funding recipients must certify compliance with the Uniform Relocation and Real Property Acquisition Act of 1970, P.L. 91-646, as amended. Call for additional guidance if land acquisition is related to a project to address non-point source pollution.

Provide a cost breakdown by category of need.

7. Provide information on existing or proposed ballot issues. If a bond or tax issue has already been voted, provide copies of all items listed at the top of page 3.

List other types of debt instruments and funding sources.

8. List any board trainings related to wastewater management that your board members have attended in the last 3 years.
9. Provide as much information as possible related to the watershed the project is located in, and the problems to be addressed by the project. Note if the water body is a classified water body per 10 CSR 20-7.031. This information will be used in determining the project priority in relation to other applications for funding.

10. Check the boxes that apply to the proposed project.

11. Provide the anticipated dates for the milestones listed. Put N/A in the space if the milestone isn't applicable to the project.

12. Information required by 10 CSR 20-4.040 must be submitted before the application will be prioritized.

This additional information, if provided, may allow for additional priority points. The applicant may submit other project related information that the applicant feels should be submitted with the application.

Incomplete Applications Will Be Returned

- Sign the application; attach any additional information that will enable the department to prioritize your wastewater needs.
- If you are using funds from U.S. Department of Agriculture-Rural Development or Department of Economic Development's Community Development Block Grant Program, be certain that you have included this information.
- Make a copy of the completed application for your records.
- Electronically transmitted applications will not be accepted.
- Mail the completed applications to:
Missouri Department of Natural Resources
Water Protection Program
Financial Assistance Center
P.O. Box 176
Jefferson City, MO 65102-0176

For More Information:

Missouri Department of Natural Resources
Water Protection Program
Financial Assistance Center
P.O. Box 176
Jefferson City, MO 65102-0176
800-361-4827 or 573-751-1192
FAX: 573-751-9396
www.dnr.mo.gov/env/wpp/srf/index.html

NOTICE OF GENERAL MUNICIPAL ELECTION
FOR THE CITY OF MOBERLY, MISSOURI

WS #3.

Notice is hereby given to the qualified voters of the City of Moberly, Missouri that the City Council of the City has called a general municipal election to be held in the City on Tuesday, April 7, 2020, commencing at 6:00 a.m. and closing at 7:00 p.m. on the question contained in the following sample ballot.

RECEIVED

DEC 23 2013

Randolph County Clerk

OFFICIAL BALLOT
CITY OF MOBERLY, MISSOURI
GENERAL MUNICIPAL ELECTION
TUESDAY: April 7, 2020

QUESTION 1

Shall the City of Moberly, Missouri, be authorized to continue to impose a capital improvement sales tax until December 31, 2059 in an amount of one-half of one percent on all retail sales that are subject to taxation for the purpose of extending, improving, operating and maintaining its water and sewer systems?

YES

NO

QUESTION 2

Shall the City of Moberly, Missouri, issue its combined waterworks and sewerage system revenue bonds in the amount of \$18,000,000 for the purpose of acquiring, constructing, improving and extending its combined waterworks and sewerage system, the cost of operation and maintenance of said combined waterworks and sewerage system and the principal of and interest on said revenue bonds to be payable solely from the revenues derived by the City from the operation of its combined waterworks and sewerage system, including all future extensions and improvements thereto?

YES

NO

INSTRUCTIONS TO VOTERS: If you are in favor of the questions, place an X in the box opposite "Yes". If you are opposed to the question, place an X in the box opposite "No".

The polling places for the said election will open at 6:00 a.m. and close at 7:00 p.m.

The polling places for the election will be:

FIRST WARD:

First & Second Precinct – Jefferson Avenue Methodist Church

SECOND WARD:

First Precinct – Moberly City Hall

Second & Third Precinct – Moberly Area YMCA

THIRD WARD:

First Precinct – Moberly City Hall

Second & Third Precinct – Moberly Area Community College

FOURTH WARD:

First & Second Precinct – Immanuel Baptist Church

RECEIVED

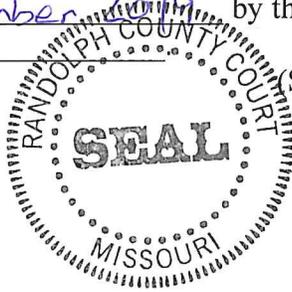
DEC 23 2019

Randolph County Clerk

Given under my hand the official seal of the City of Moberly, Missouri this 23 day of Dec., 2019.

(Signed) DK Galloway
City Clerk

This is to certify that the foregoing notice is a true copy of the certification of election notice filed in this office on 23rd of December 2019 by the City Clerk of the City of Moberly



(Signed) Will Allis
County Clerk
County of Randolph, State of Missouri

RECEIVED

DEC 23 2019

BILL NO. 9569

Randolph County Clerk

ORDINANCE NO. 9569

**AN ORDINANCE CALLING AN ELECTION IN THE CITY OF
MOBERLY, MISSOURI.**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOBERLY, MISSOURI,
AS FOLLOWS:**

Section 1. The City Council finds it necessary and hereby declares its intent to borrow \$18,000,000 for the purpose of acquiring, constructing, improving and extending its combined waterworks and sewerage system (the "Project") and to evidence such borrowing by the issuance of combined waterworks and sewerage system revenue bonds of the City (the "Bonds") in the amount of \$18,000,000, and to continue the imposition of the existing capital improvement sales tax to extend, improve, operate and maintain its combined waterworks and sewerage system (the "System").

Section 2. An election is hereby ordered to be held in the City of Moberly, Missouri on April 7, 2020, on the following questions:

QUESTION 1

Shall the City of Moberly, Missouri, be authorized to continue to impose a capital improvement sales tax until December 31, 2059 in an amount of one-half of one percent on all retail sales that are subject to taxation for the purpose of extending, improving, operating and maintaining its water and sewer systems?

QUESTION 2

Shall the City of Moberly, Missouri, issue its combined waterworks and sewerage system revenue bonds in the amount of \$18,000,000 for the purpose of acquiring, constructing, improving and extending its combined waterworks and sewerage system, the cost of operation and maintenance of said combined waterworks and sewerage system and the principal of and interest on said revenue bonds to be payable solely from the revenues derived by the City from the operation of its combined waterworks and sewerage system, including all future extensions and improvements thereto?

Section 3. The form of the Notice of Election for said election, a copy of which is attached hereto and made a part hereof, is hereby approved.

Section 4. The City Clerk is hereby authorized and directed to notify the County Clerk of Randolph County, Missouri of the adoption of this Ordinance no later than 4:00 P.M. on January 28, 2020, and to include in said notification all of the terms and provisions required by Chapter 115 of the Revised Statutes of Missouri, as amended.

Section 5. The City expects to make expenditures on and after the date of adoption of this Ordinance in connection with the Project, and the City intends to reimburse itself for such expenditures with the proceeds of the Bonds. The maximum principal amount of the Bonds to be issued for the Project is \$18,000,000.

Section 6. This Ordinance shall be in full force and effect from and after its passage.

PASSED by the City Council this 16 day of Dec., 2019.

(SEAL)

Mayor



ATTEST:

DK Galloway
City Clerk

APPROVED by the Mayor this 16 day of Dec., 2019.

(SEAL)

Mayor



ATTEST:

DK Galloway
City Clerk

I hereby certify this to be a true and exact copy of Ordinance 9569 passed by Moberly City Council the 16th day of December 2019.

DK Galloway 12-20-2019
Notary Public Date



D.K. GALLOWAY
My Commission Expires
February 10, 2020
Randolph County
Commission #12382850

RECEIVED

DEC 23 2019

Randolph County Clerk

OFFICIAL BALLOT
CITY OF MOBERLY, MISSOURI
GENERAL MUNICIPAL ELECTION
TUESDAY: April 7, 2020

QUESTION 1

Shall the City of Moberly, Missouri, be authorized to continue to impose a capital improvement sales tax until December 31, 2059 in an amount of one-half of one percent on all retail sales that are subject to taxation for the purpose of extending, improving, operating and maintaining its water and sewer systems?

 YES NO**QUESTION 2**

Shall the City of Moberly, Missouri, issue its combined waterworks and sewerage system revenue bonds in the amount of \$18,000,000 for the purpose of acquiring, constructing, improving and extending its combined waterworks and sewerage system, the cost of operation and maintenance of said combined waterworks and sewerage system and the principal of and interest on said revenue bonds to be payable solely from the revenues derived by the City from the operation of its combined waterworks and sewerage system, including all future extensions and improvements thereto?

 YES NO

INSTRUCTIONS TO VOTERS: If you are in favor of the questions, place an X in the box opposite "Yes". If you are opposed to the question, place an X in the box opposite "No".

Registered Voters 13,663 - Total Ballots 1,992 : 14.58%

15 of 15 Precincts Reporting 100.00%

CITY OF MOBERLY QUESTION 1

Number of Precincts 6
 Precincts Reporting 6 100.00%
 Vote For 1
 Total Votes 1,054

	Total	OVO/OVCS	Adjudication	Manual Entry	Adjustment
YES	796	796	0	0	0
NO	258	258	0	0	0

STATE OF MISSOURI }

COUNTY OF RANDOLPH }

I, Will Ellis, Election Authority of the County of Randolph, hereby certify the attached document to be true, correct and complete abstract of all votes cast in said county for all candidates and on all ballot questions at the General Municipal Election held on the 2nd day of June, A.D., 2020, as shown by the returns made to my office by the judges of election of the different voting precincts in said county, and as verified by the verification board as provided in 115.507 RSMo 2019.

IN TESTIMONY WHEREOF, I
 hereunto set my hand and affix the
 seal of the County at my office in
 Huntsville, MO this 5th day of June,
 A.D., 2020.



SEAL

Will Ellis

RECEIVED

JUN - 8 2020

OFFICE OF CITY CLERK
 MOBERLY, MO

Registered Voters 13,663 - Total Ballots 1,992 : 14.58%

15 of 15 Precincts Reporting 100.00%

CITY OF MOBERLY QUESTION 2

Number of Precincts 6
 Precincts Reporting 6 100.00%
 Vote For 1
 Total Votes 1,051

	Total	OVO/OVCS	Adjudication	Manual Entry	Adjustment
YES	833	833	0	0	0
NO	218	218	0	0	0

STATE OF MISSOURI }
 COUNTY OF RANDOLPH }

I, Will Ellis, Election Authority of the County of Randolph, hereby certify the attached document to be true, correct and complete abstract of all votes cast in said county for all candidates and on all ballot questions at the General Municipal Election held on the 2nd day of June, A.D., 2020, as shown by the returns made to my office by the judges of election of the different voting precincts in said county, and as verified by the verification board as provided in 115.507 RSMo 2019.

IN TESTIMONY WHEREOF, I
 hereunto set my hand and affix the
 seal of the County at my office in
 Huntsville, MO this 5th day of June,
 A.D., 2020.



Will Ellis

RECEIVED

JUN - 8 2020

OFFICE OF CITY CLERK
 MOBERLY, MO

BILL NO. 9600

ORDINANCE NO. 9600

AN ORDINANCE DECLARING THE RESULTS OF THE ELECTION HELD IN THE CITY OF MOBERLY, MISSOURI, ON JUNE 20, 2020.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOBERLY, MISSOURI, AS FOLLOWS:

Section 1. That it is hereby found and declared that the vote at the election held in the City of Moberly, Missouri, on Tuesday, June 2, 2020, on the following questions:

QUESTION 1

Shall the City of Moberly, Missouri, be authorized to continue to impose a capital improvement sales tax until December 31, 2059 in an amount of one-half of one percent on all retail sales that are subject to taxation for the purpose of extending, improving, operating and maintaining its water and sewer systems?

resulted as follows:

<u>Yes</u>	<u>No</u>
796	258

QUESTION 2

Shall the City of Moberly, Missouri, issue its combined waterworks and sewerage system revenue bonds in the amount of \$18,000,000 for the purpose of acquiring, constructing, improving and extending its combined waterworks and sewerage system, the cost of operation and maintenance of said combined waterworks and sewerage system and the principal of and interest on said revenue bonds to be payable solely from the revenues derived by the City from the operation of its combined waterworks and sewerage system, including all future extensions and improvements thereto?

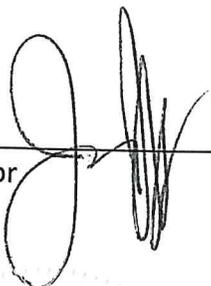
resulted as follows:

<u>Yes</u>	<u>No</u>
833	218

Section 2. That it is hereby found and declared that on Question 1 more than a simple majority of the qualified voters of the City voting on the Question at said election voted in favor of said question and it thereby passed. That it is hereby found and declared that on Question 2 more than a simple majority of the qualified voters of the District voting on the Question at said election voted in favor of said question and it thereby passed.

Section 3. That attached hereto as **Exhibit A** is a full, true and correct copy of the certifications of election results cast at said election received from the Randolph County Clerk, that said certifications of election results are the final and last certifications of election results for said election, and that said

Ordinance 9600 passed and approved by Moberly, Missouri, City Council on the 15th day of June 2020 contained a scrivener's error in the title, citing an election date of June 20, 2020 instead of the correct date of June 2, 2020.

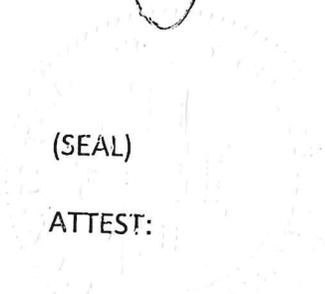


Mayor

7/17/20
Date

(SEAL)

ATTEST:


DK Alloway 7-17-2020
City Clerk Date

This document will be a permanent attachment to Ordinance 9600.

CITY OF MOBERLY
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2020

**CITY OF MOBERLY
ANNUAL FINANCIAL REPORT
JUNE 30, 2020**

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FINANCIAL SECTION



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INDEPENDENT AUDITORS' REPORT

To the City Council
City of Moberly

Report on the Financial Statements

We have audited the accompanying modified cash basis financial statements of each major fund and the aggregate remaining fund information of the City of Moberly (the City) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position – modified cash basis of each major fund and the aggregate remaining fund information of the City as of June 30, 2020, and the respective changes in financial position – modified cash basis thereof for the year then ended in accordance with the basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than U.S. generally accepted accounting principles. Our opinions are not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The information presented in the table of contents under the heading supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2020, on our consideration of the City's internal control over financial reporting and on our testing of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

William K. Kasper, LLC

November 13, 2020

BASIC FINANCIAL STATEMENTS

**CITY OF MOBERLY
BALANCE SHEET
MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
JUNE 30, 2020**

	Major Funds						Total
	General Fund	Capital Improvement Trust Fund	Parks and Recreation Fund	Park Sales Tax Trust Fund	Transportation Trust Fund	Non-Major Funds	
ASSETS							
Cash and cash equivalents	\$ 1,133,406	\$ 1,114,091	\$ 1,750	\$ 509,548	\$ 1,533,487	\$ 2,558,171	\$ 6,850,453
Due from other funds	379,961	-	-	-	-	-	379,961
Prepaid expenses	350,111	-	46,983	-	-	21,583	418,677
Total assets	<u>\$ 1,863,478</u>	<u>\$ 1,114,091</u>	<u>\$ 48,733</u>	<u>\$ 509,548</u>	<u>\$ 1,533,487</u>	<u>\$ 2,579,754</u>	<u>\$ 7,649,091</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Due to other funds	\$ -	\$ -	\$ 37,636	\$ -	\$ -	\$ 161,130	\$ 198,766
Other payables	31,824	-	3,760	-	-	-	35,584
Total liabilities	<u>31,824</u>	<u>-</u>	<u>41,396</u>	<u>-</u>	<u>-</u>	<u>161,130</u>	<u>234,350</u>
Fund balances:							
Nonspendable	350,111	-	46,983	-	-	21,583	418,677
Assigned for special revenue purposes	-	1,114,091	-	509,548	1,533,487	2,558,071	5,715,197
Unassigned	1,481,543	-	(39,646)	-	-	(161,030)	1,280,867
Total fund balances	<u>1,831,654</u>	<u>1,114,091</u>	<u>7,337</u>	<u>509,548</u>	<u>1,533,487</u>	<u>2,418,624</u>	<u>7,414,741</u>
Total liabilities and fund balances	<u>\$ 1,863,478</u>	<u>\$ 1,114,091</u>	<u>\$ 48,733</u>	<u>\$ 509,548</u>	<u>\$ 1,533,487</u>	<u>\$ 2,579,754</u>	<u>\$ 7,649,091</u>

CITY OF MOBERLY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Major Funds					Non-Major Funds	Total
	General Fund	Capital Improvement Trust Fund	Parks and Recreation Fund	Park Sales Tax Trust Fund	Transportation Trust Fund		
REVENUES							
Taxes:							
Sales	\$ 2,507,785	\$ 1,197,326	\$ -	\$ 1,196,743	\$ 1,197,779	\$ 54,302	6,153,935
Franchise	1,854,183	-	-	-	-	-	1,854,183
Property	1,146,866	-	529,879	-	-	179,499	1,856,244
Motor vehicle and license	181,263	-	-	-	-	369,870	551,133
Other	585,878	-	4,801	118,656	-	92,330	801,665
Licenses, permits and fees	326,178	-	-	-	-	-	326,178
Charges for goods and services	613,995	-	233,497	-	-	448,540	1,296,032
Grants and contributions	25,181	-	-	-	171,233	327,411	523,825
Interest	22,310	17,568	-	4,150	18,833	24,938	87,799
Miscellaneous	223,855	-	72,446	-	39,083	580,762	916,146
Total revenues	7,487,494	1,214,894	840,623	1,319,549	1,426,928	2,077,652	14,367,140
EXPENDITURES							
General government	1,942,512	291,639	-	-	-	194,749	2,428,900
Public safety	3,860,732	-	-	-	-	497,844	4,358,576
Economic and community development	735,877	-	-	-	-	-	735,877
Transportation	792,405	-	-	-	758,452	865,660	2,416,517
Parks and recreation	-	-	1,441,207	-	-	65,439	1,506,646
Capital outlay	235,428	12,147	789,106	-	902,921	1,270,017	3,209,619
Debt service:							
Principal	93,242	-	-	-	-	100,000	193,242
Interest and fees	9,928	-	-	-	-	-	9,928
Total expenditures	7,670,124	303,786	2,230,313	-	1,661,373	2,993,709	14,859,305
Excess (deficiency) of revenues over (under) expenditures	(182,630)	911,108	(1,389,690)	1,319,549	(234,445)	(916,057)	(492,165)
OTHER FINANCING SOURCES (USES)							
Note proceeds	-	-	-	-	-	1,000,000	1,000,000
Transfers in	5,434	-	1,389,405	53,460	335,172	446,574	2,230,045
Transfers (out)	(285,462)	(869,129)	-	(1,550,017)	-	(60,894)	(2,765,502)
Total other financing sources (uses)	(280,028)	(869,129)	1,389,405	(1,496,557)	335,172	1,385,680	464,543
Net change in fund balances	(462,658)	41,979	(285)	(177,008)	100,727	469,623	(27,622)
Fund balances - beginning (as restated)	2,294,312	1,072,112	7,622	686,556	1,432,760	1,949,001	7,442,363
Fund balances - ending	\$ 1,831,654	\$ 1,114,091	\$ 7,337	\$ 509,548	\$ 1,533,487	\$ 2,418,624	\$ 7,414,741

**CITY OF MOBERLY
STATEMENT OF NET POSITION
MODIFIED CASH BASIS
PROPRIETARY FUNDS
JUNE 30, 2020**

	<u>Major Enterprise Funds</u>			<u>Internal Service Fund</u>
	<u>CWWSS Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>	<u>Health Trust Fund</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 2,035,995	\$ 597,775	\$ 2,633,770	\$ 360,813
Prepaid expenses	100,578	-	100,578	-
Total current assets	<u>2,136,573</u>	<u>597,775</u>	<u>2,734,348</u>	<u>360,813</u>
Non-current assets:				
Restricted cash and cash equivalents	2,747,962	-	2,747,962	-
Restricted investments	1,017,778	-	1,017,778	-
Total non-current assets	<u>3,765,740</u>	<u>-</u>	<u>3,765,740</u>	<u>-</u>
Total assets	<u>5,902,313</u>	<u>597,775</u>	<u>6,500,088</u>	<u>360,813</u>
LIABILITIES				
Current liabilities:				
Due to other funds	180,963	232	181,195	-
Other payables	206,610	2,112	208,722	-
Total liabilities	<u>387,573</u>	<u>2,344</u>	<u>389,917</u>	<u>-</u>
NET POSITION				
Restricted for debt service	3,765,740	-	3,765,740	-
Unrestricted	1,749,000	595,431	2,344,431	360,813
Total net position	<u>\$ 5,514,740</u>	<u>\$ 595,431</u>	<u>\$ 6,110,171</u>	<u>\$ 360,813</u>

See accompanying notes to the basic financial statements.

CITY OF MOBERLY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
MODIFIED CASH BASIS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Major Enterprise Funds</u>			<u>Internal Service Fund</u>
	<u>CWSS Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>	<u>Health Trust Fund</u>
REVENUES				
Charges for services	\$ 5,442,634	\$ 1,069,040	\$ 6,511,674	\$ 1,793,743
Total operating revenues	<u>5,442,634</u>	<u>1,069,040</u>	<u>6,511,674</u>	<u>1,793,743</u>
OPERATING EXPENSES				
Personnel services	1,666,506	7,149	1,673,655	-
Contractual services	514,535	1,016,517	1,531,052	1,958,494
Repairs and maintenance	507,293	-	507,293	-
Materials and supplies	862,649	376	863,025	-
Capital outlay	2,156,111	51,184	2,207,295	-
Miscellaneous	55,433	145,169	200,602	-
Debt service:				
Principal	1,172,502	-	1,172,502	-
Interest and fees	219,266	-	219,266	-
Total operating expenses	<u>7,154,295</u>	<u>1,220,395</u>	<u>8,374,690</u>	<u>1,958,494</u>
Operating income (loss)	<u>(1,711,661)</u>	<u>(151,355)</u>	<u>(1,863,016)</u>	<u>(164,751)</u>
NON-OPERATING REVENUES (EXPENSES)				
Lease proceeds	1,975,586	-	1,975,586	-
Interest	48,144	8,537	56,681	13,341
Miscellaneous	28,954	-	28,954	-
Transfers in	6,157,592	-	6,157,592	-
Transfers (out)	(5,623,635)	-	(5,623,635)	-
Total non-operating revenues	<u>2,586,641</u>	<u>8,537</u>	<u>2,595,178</u>	<u>13,341</u>
Change in net position	874,980	(142,818)	732,162	(151,410)
Total net position - beginning (as restated)	<u>4,639,760</u>	<u>738,249</u>	<u>5,378,009</u>	<u>512,223</u>
Total net position - ending	<u>\$ 5,514,740</u>	<u>\$ 595,431</u>	<u>\$ 6,110,171</u>	<u>\$ 360,813</u>

See accompanying notes to basic financial statements.

CITY OF MOBERLY
STATEMENT OF FIDUCIARY NET POSITION
MODIFIED CASH BASIS
JUNE 30, 2020

	Custodial Funds		
	Veterans' Flag Project Fund	Community Betterment Fund	Total
ASSETS			
Cash and cash equivalents	\$ 40,017	\$ 3,363	\$ 43,380
Total assets	40,017	3,363	43,380
LIABILITIES			
Due to other governments	40,017	3,363	43,380
Total liabilities	40,017	3,363	43,380
NET POSITION	\$ -	\$ -	\$ -

CITY OF MOBERLY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2020

	Custodial Funds		Total
	Veterans' Flag Project Fund	Community Betterment Fund	
RECEIPTS			
Interest	\$ 455	\$ -	\$ 455
Miscellaneous	2,321	-	2,321
Total receipts	2,776	-	2,776
DISBURSEMENTS			
General government	2,776	1,500	4,276
Total disbursements	2,776	1,500	4,276
OTHER FINANCING SOURCES			
Transfers in	-	1,500	1,500
Total other financing sources	-	1,500	1,500
Change in net position	-	-	-
Net position, July 1	-	-	-
NET POSITION, JUNE 30	\$ -	\$ -	\$ -

CITY OF MOBERLY

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies employed in the preparation of the accompanying financial statements, as presented on the basis set forth in Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments* as modified for the basis of accounting used by the government.

A. Reporting Entity

The City of Moberly (the City) is an incorporated city located in Randolph County, Missouri. The City operates under a Mayor-Council form of government. The City provides services to its approximately fourteen thousand residents in many areas including: emergency management, law enforcement, parks and recreation, water and sewer utilities, and various social services. These services do not include education, which is provided by separate governmental entities.

The basic financial statements include all of the funds relevant to the operations of the City. The financial statements presented herein do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the City that have been determined not to be component units as defined by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an Amendment of GASB Statements No. 14 and 34*.

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. Financially accountable means the primary government is able to impose its will or the component unit may provide financial benefits or impose a burden on the primary government. In addition, component units can be other organizations for which the nature and significance of the relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

As required by U.S. generally accepted accounting principles (GAAP), the City has evaluated the above criteria to determine whether any other entity meets the definition of a component unit and must be included in these financial statements, noting none.

B. Basis of Accounting and Financial Statement Presentation

The financial statements have been prepared using the modified cash basis of accounting. Revenues are recorded when received rather than when susceptible to accrual, and expenditures/expenses are recorded when paid rather than when the liability is incurred. This is a comprehensive basis of accounting other than GAAP. The modification to the cash basis of accounting results from recording prepaid expenses and other payables as result of certain cash transactions.

Typically, government financial statements would be presented as three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. However, because the City’s financial statements have been prepared using the modified cash basis of accounting, as described above, the fund financial statement information is presented in the same manner as government-wide financial statements would be, only with more detail. Therefore, the City’s basic financial statements include: 1) fund financial statements and 2) notes to the financial statements.

The City uses funds to report its financial position and results of its operations in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into three categories: governmental, proprietary, and fiduciary.

Separate fund financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund or designated by management for expenditures for specified purposes.

Capital Improvement Trust Fund – This special revenue fund was established to account for sales taxes assigned for general government capital improvement purposes.

Parks and Recreation Fund – This special revenue fund was established to account for property taxes and other financial resources assigned for parks and recreation purposes.

Park Sales Tax Trust Fund – This special revenue fund was established to account for sales taxes and other financial resources assigned for park purposes.

Transportation Trust Fund – This special revenue fund was established to account for sales taxes and other financial resources assigned for transportation purposes.

The City reports the following major proprietary funds:

Enterprise funds:

Combined Waterworks and Sewerage System (CWWSS) Fund – This enterprise fund accounts for the provision of water and sewer utility services to the residents of the City.

Solid Waste Fund – This enterprise fund accounts for the provision of solid waste utility services to the residents of the City.

Internal service fund:

Health Trust Fund – This internal service fund accounts for the financing of the City's employee health plan.

In addition, the City reports the following fiduciary funds:

Veterans' Flag Project Fund – This custodial fund accounts for funds collected by the City to purchase flags to be displayed in Oakland Cemetery at various times throughout the year. The funds collected by the City are subsequently remitted to the Cemetery.

Community Betterment Fund – This custodial fund accounts for funds collected by the City for the benefit of the community. The funds collected by the City are subsequently remitted to the Moberly Community Betterment Group.

C. Cash and Cash Equivalents

Cash and cash equivalents may include cash on hand, demand deposits, and certificates of deposits.

D. Investments

Investments may include any investment allowed by state statute as defined in Note 3. Investments are reported at cost.

E. Capital Assets

As a result of using the modified cash basis of accounting, capital assets are recorded as expenditures/expenses at the time the payment is made. As such, no balances for capital assets or accumulated depreciation are reported in the financial statements.

F. Long-term Debt

As a result of using the modified cash basis of accounting, long-term debt is not recorded in the financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest is reported as expenditures/expenses. The City's long-term debt consists primarily of bonds and leases payable.

G. Equity

In the governmental fund financial statements, equity is displayed in five components as follows:

Nonspendable – This consists of amounts that are not in a spendable form or are legally or contractually required to be maintained intact.

Restricted – This consists of amounts that are constrained to specific purposes by their providers, through constitutional or contractual provisions or by enabling legislation.

Committed – This consists of amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority (the City Council) by the end of the fiscal year. The City Council can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken to remove or revise the limitation.

Assigned – This consists of amounts that are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. The City Council can assign fund balance; however, an additional formal action does not have to be taken for the removal of the assignment.

Unassigned – This consists of amounts that are available for any purpose and can only be reported in the General Fund.

The City did not have any restricted or committed fund balances as of June 30, 2020.

In the proprietary fund financial statements, equity is displayed in two components as follows:

Restricted – This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted – This consists of net position that does not meet the definition of “restricted”.

H. Compensated Absences

Vacation and sick leave are considered expenditures/expenses in the year paid. Unused vacation days are payable upon termination.

I. Post-Employment Benefits

For personnel hired prior to July 1, 2017, the City provides health and dental insurance to employees who retire after thirty years of service with the City. The coverage is provided until the employee qualifies for Medicare. At June 30, 2020, there were sixteen employees that qualified for benefits and the City contributed approximately \$496 per employee to the Health Trust Fund on a monthly basis. Contributions totaled approximately \$95,326 during the year ended June 30, 2020.

J. Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect reported amounts of assets and liabilities, and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

2. LEGAL COMPLIANCE – BUDGET

The City’s policy is to prepare the operating budgets in accordance with the modified cash basis of accounting. The City prepared budgets for all fund types for the year ended June 30, 2020.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- 1) Prior to July 1, the City Manager and Finance Department submit to the City Council a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures/expenses and the means of financing them.
- 2) The proposed budget is available for public inspection.
- 3) Prior to June 30, the budget is legally enacted through passage of an ordinance.
- 4) The City Manager and Finance Department are authorized to transfer budgeted amounts within a fund; however, any revisions that alter the total revenues or total expenditures/expenses of any fund must be approved by the City Council.
- 5) All appropriations lapse at year end.

The reported budgetary data represents the final approved budget after amendments as adopted by the City Council. The budget was amended during the year.

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Deposits

Missouri State Statutes authorize the City to deposit funds in any investments allowed by the State Treasurer. These include obligations of the U.S. Treasury, federal agencies and instrumentalities, certificates of deposits, and repurchase agreements.

Custodial credit risk for deposits is the risk that, in the event of bank failure, the government's deposits may not be returned to it. The City's deposits with financial institutions must be collateralized in an amount at least equal to uninsured deposits. The City's deposits are categorized to give an indication of the level of custodial risk assumed by the City.

Deposits, categorized by level of custodial risk, were as follows as of June 30, 2020:

	Cash and Cash Equivalents	Petty Cash	Total
Bank balance			
Insured by the FDIC	\$ 254,321	\$ -	\$ 254,321
Collateralized with securities pledged by the financial institution in the government's name	12,364,613	-	12,364,613
	<u>\$ 12,618,934</u>	<u>\$ -</u>	<u>\$ 12,618,934</u>
Carrying value	<u>\$ 12,589,448</u>	<u>\$ 3,550</u>	<u>\$ 12,592,998</u>

A reconciliation of cash and cash equivalents as shown in the financial statements is as follows:

	Governmental Funds Balance Sheet	Proprietary Funds Statement of Financial Position	Total
Cash and cash equivalents	\$ 6,850,453	\$ 2,994,583	\$ 9,845,036
Restricted cash and cash equivalents	-	2,747,962	2,747,962
	<u>\$ 6,850,453</u>	<u>\$ 5,742,545</u>	<u>\$ 12,592,998</u>

Investments

Missouri State Statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, collateralized certificates of deposits, and the State Treasurer's investment pool. The City's investments consist of certificates of deposits and money market mutual funds, which are reported in the financial statements at cost.

As of June 30, 2020, the City had the following investment balances:

	Investment Maturities (in years)			Fair Value	Carrying Value
	Less than 1	1-5	Over 5		
Restricted:					
Money market mutual funds	\$ -	\$ -	\$ 1,017,778	\$ 1,017,778	\$ 1,017,778
Total investments	\$ -	\$ -	\$ 1,017,778	\$ 1,017,778	\$ 1,017,778

Interest rate risk – Interest rate risk is the risk that the fair values of investments will be adversely affected by a change in interest rates. As the City uses the modified cash basis of accounting, the City does not have any interest rate risk in investments.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit risk is measured using credit quality ratings of investments in debt securities as described by nationally recognized rating agencies such as Standard & Poor’s and Moody’s. Missouri State Statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, collateralized certificates of deposits, and the State Treasurer’s investment pool. The City has no investment policy that would further limit its investment choice.

Concentration of credit risk – Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. The City places no limit on the amount the City may invest in any one issuer.

Custodial credit risk – For an investment, this is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in possession of an outside party. The City does not have any custodial risk in investments.

4. RESTRICTED CASH AND CASH EQUIVALENTS, INVESTMENTS, AND NET POSITION

At June 30, 2020, cash and cash equivalents, investments, and net position were restricted for various uses as follows:

	Cash and Cash Equivalents	Investments	Net Position
CWWSS Fund:			
Restricted for debt service	\$ 2,747,962	\$ 1,017,778	\$ 3,765,740

5. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

Interfund receivables and payables at June 30, 2020, resulting from interfund activity were as follows:

	Interfund Receivable	Interfund Payable
Governmental funds:		
General Fund	\$ 379,961	\$ -
Parks and Recreation Fund	-	37,636
Non-Major Funds	-	161,130
Proprietary funds:		
CWWSS Fund	-	180,963
Solid Waste Fund	-	232
Total	<u>\$ 379,961</u>	<u>\$ 379,961</u>

These balances either originated during prior fiscal years and were not settled during fiscal year 2020, or originated during fiscal year 2020 as a result of current year activity between the funds.

A summary of interfund transfers for the year ended June 30, 2020, follows:

	Transfers In	Transfers Out
Governmental funds:		
General Fund	\$ 5,434	\$ 285,462
Capital Improvement Trust Fund	-	869,129
Parks and Recreation Fund	1,389,405	-
Park Sales Tax Trust Fund	53,460	1,550,017
Transportation Trust Fund	335,172	-
Non-Major Funds	446,574	60,894
Proprietary funds:		
CWWSS Fund	6,157,592	5,623,635
Fiduciary funds:		
Community Betterment Fund	1,500	-
Total	<u>\$ 8,389,137</u>	<u>\$ 8,389,137</u>

The purpose of these transfers is to subsidize the operations and support the fund balance/net position of the fund receiving the transfer.

6. LONG-TERM DEBT

The following is a summary of the City’s long-term debt transactions for the year ended December 31, 2020:

	Beginning Balance	Additions	Retirements	Ending Balance	Amount Due in One Year
<i>Governmental funds:</i>					
Fire and street equipment lease	\$ 119,871	\$ -	\$ 57,854	\$ 62,017	\$ 62,017
Police software lease	235,756	-	35,388	200,368	36,450
Heritage Hills Golf Course note	-	1,000,000	100,000	900,000	100,000
<i>Proprietary funds:</i>					
Sewer equipment lease	223,219	-	72,502	150,717	74,461
Water equipment lease	-	1,975,586	-	1,975,586	203,081
Revenue bonds	8,120,000	-	1,100,000	7,020,000	1,125,000
	<u>\$ 8,698,846</u>	<u>\$ 2,975,586</u>	<u>\$ 1,365,744</u>	<u>\$ 10,308,688</u>	<u>\$ 1,601,009</u>

The State Constitution permits a city, by vote of two-thirds of the voting electorate, to incur general obligation indebtedness for "city purposes" not to exceed 10% of the assessed value of taxable tangible property and to incur additional general obligation indebtedness not to exceed, in the aggregate, an additional 10% of the assessed value of taxable tangible property, for the purpose of acquiring rights-of-way, construction, extending and improving streets and avenues and/or sanitary or storm wastewater systems, and purchasing or constructing waterworks, electric or other light plants, provided that the total general obligation indebtedness of the city does not exceed 20% of the assessed valuation of taxable property.

Based on the assessed valuation as of January 1, 2019, of \$163,796,228, the constitutional total general obligation debt limit was \$32,759,246, which provides a general obligation debt margin of \$32,759,246.

Leases

Governmental funds:

In February 2014, the City entered into a lease purchase agreement for fire and street equipment. The lease bears interest at 2.38%. Principal payments are due annually through February 2021, at which time ownership of the equipment will transfer to the City. The City has been satisfying its obligation to make the minimum lease payments under the lease purchase agreement from the General Fund’s revenues. The lease is secured by the equipment.

In November 2017, the City entered into a lease purchase agreement for police software. The lease bears interest at 2.96%. Principal payments are due annually through November 2024, at which time the City can purchase the software for \$1. The City has been satisfying its obligation to make the minimum lease payments under the lease purchase agreement from the General Fund’s revenues. The lease is secured by the software.

Proprietary funds:

In May 2018, the City entered into a lease purchase agreement for sewer equipment. The lease bears interest at 2.7%. Principal payments are due annually through May 2022, at which time the City has the option to purchase the equipment. The City has been satisfying its obligation to make the minimum lease payments under the lease purchase agreement from the CWWSS Fund’s operating revenues. The lease is secured by the equipment.

In November 2019, the City entered into a lease purchase agreement for water equipment. The lease bears interest at 2.945%. Principal payments are due quarterly through November 2030, at which time the City has the option to purchase the equipment. The City will satisfy its obligation to make the minimum lease payments under the lease purchase agreement from the CWWSS Fund’s operating revenues. The lease is secured by the equipment.

These lease purchase agreements qualify as capital leases for accounting purposes because ownership is assumed to transfer upon satisfaction of the entire lease obligation. However, as a result of the City using the modified cash basis of accounting, the capital lease and related capital assets are not recorded in the financial statements.

The future minimum lease payments on the City’s leases are as follows:

Year Ending June 30	Governmental Funds	Proprietary Funds	Total
2021	\$ 107,318	\$ 349,713	\$ 457,031
2022	48,380	619,713	668,093
2023	47,220	541,363	588,583
2024	46,024	541,363	587,387
2025	34,615	589,446	624,061
Total	283,557	2,641,598	2,925,155
Less: amounts representing interest	(21,172)	(515,295)	(536,467)
Total principal	<u>\$ 262,385</u>	<u>\$ 2,126,303</u>	<u>\$ 2,388,688</u>

Note

In April 2019, the City entered into a promissory note agreement for the purchase of Heritage Hills Golf Course. The note is non-interest bearing. Principal payments are due annually through December 2028. The note is secured by the property.

Revenue Bonds

In November 2002, residents of the City authorized State Environmental Improvement and Energy Resources Authority Combined Waterworks and Sewage System Revenue Bonds for the purpose of financing construction of and improvements to the combined water and sewer system.

In 2004, the City issued \$7,150,000 in Series 2004B revenue bonds to refinance the Series 2003 revenue bonds. Also in 2004, the City issued \$5,100,000 in Series 2004C revenue bonds. In 2006, the City issued \$5,460,000 in Series 2006A revenue bonds. In 2008, the City issued \$2,560,000 in Series 2008A in revenue bonds.

In connection with the issuance of these bonds, the City participates in a revolving loan program established by the Missouri Department of Natural Resources (DNR). The State of Missouri manages and invests the bond proceeds on behalf of the City. As the City incurred approved expenditures, DNR reimbursed the City for the expenditures from the construction escrow funds. Additionally, an amount (83.33% of which was federal funding) representing 70% of the construction costs was deposited into bond reserve funds in the City’s name and are held as a guarantee against the outstanding bond obligations. Interest earned from these reserve funds can be used by the City to fund interest payments on the revenue bonds. A portion of the reserve funds is transferred back to the State as principal payments are made on the revenue bonds.

The CWWSS Fund has pledged future operating revenues, net of current specified operating expenses, to repay the revenue bonds. The revenue bonds are payable solely from operating revenues and are payable through 2029. Net revenues available for debt service are not to be less than 110% of the amount required to be paid annually of principal and interest. Net revenues for fiscal year 2020 are over 424% of the annual principal and interest payments made during the year, as principal and interest paid were \$1,284,890 and net revenues were \$5,442,634.

The City’s revenue bonds are comprised of the following individual issues:

	Original Amount	Interest Rate	Final Maturity Date	Balance June 30, 2020
Series 2004B revenue bonds	\$ 7,150,000	2.00-5.00%	1/1/2024	\$ 1,760,000
Series 2004C revenue bonds	5,100,000	3.00-5.05%	1/1/2026	1,800,000
Series 2006A revenue bonds	5,460,000	4.00-5.25%	7/1/2026	2,190,000
Series 2008A revenue bonds	2,560,000	2.01-4.41%	1/1/2029	1,270,000
				<u>\$ 7,020,000</u>

Annual debt service requirements on the City’s revenue bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ 1,125,000	\$ 159,700	\$ 1,284,700
2022	1,155,000	133,397	1,288,397
2023	1,180,000	106,390	1,286,390
2024	1,210,000	78,559	1,288,559
2025	770,000	50,992	820,992
2026-2029	1,580,000	60,730	1,640,730
Total	<u>\$ 7,020,000</u>	<u>\$ 589,768</u>	<u>\$ 7,609,768</u>

7. PROPERTY TAXES

The City’s property taxes are levied no later than September 1 and is based on the value of all real and personal property located in Randolph County as of the prior January 1, the lien date. Taxes are billed by November 1 and are considered delinquent after December 31. Property taxes are recognized as revenue when received. The City has entered into an agreement with Randolph County for collection of property taxes. The County reports collections to the City monthly.

The City’s assessed valuation and tax levy per \$100 assessed valuation are as follows:

	<u>For the 2019 Calendar Year</u>
Assessed valuation:	
Real estate	\$ 116,495,630
Personal property	40,342,987
State assessed	<u>6,957,611</u>
	<u>\$ 163,796,228</u>
Tax levy:	
General revenue	\$ 0.7223
Parks and recreation	<u>0.3352</u>
	<u>\$ 1.0575</u>

8. PENSION PLAN

General Information about the Pension Plan

The following information is presented in accordance with Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

Plan Description

The City’s defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The City participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer statewide public employee pension plan established in 1967 and administered in accordance with RSMo 70.600-70.755. As such, it is LAGERS’ responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

Benefits Provided

LAGERS provides retirement, death, and disability benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police) and receive a reduced allowance.

	<u>2020 Valuation</u>
Benefit multiplier	1.50%
Final average salary	3 years
Member contributions	0%

Benefit terms provide for annual post retirement adjustments to each member’s retirement allowance subsequent to the member’s retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year.

Employees Covered by Benefit Terms

At June 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	145
Inactive employees entitled to but not yet receiving benefits	73
Active employees	<u>112</u>
Total	<u><u>330</u></u>

Contributions

The City is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the City do not contribute to the pension plan. The City’s contribution rates are 7.7% (General), 13.8% (Police), and 15.9% (Fire) of annual covered payroll.

Net Pension Liability (Asset)

The City’s net pension liability (asset) was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 29, 2020.

Actuarial Assumptions

The total pension liability in the February 28, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25% wage; 2.50% price
Salary increase	3.25% to 6.55%, including wage inflation
Investment rate of return	7.25%, net of investment expenses

Mortality rates were based on the 2014 Healthy Annuitant, Disabled, and Employees Mortality Tables.

The actuarial assumptions used in the February 28, 2020, valuation were based on the results of an actuarial experience study for the period March 1, 2010 through February 28, 2015.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Alpha	15.00%	3.67%
Equity	35.00%	4.78%
Fixed income	31.00%	1.41%
Real assets	36.00%	3.29%
Strategic assets	8.00%	5.25%
Cash/leverage	-25.00%	-0.29%
	100.00%	

Discount Rate

The discount rate used to measure the total pension liability is 7.25%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

As a result of the City using the modified cash basis of accounting, the net pension liability (asset) is not recorded in the accompanying financial statements. However, the following summarizes the changes in the net pension liability (asset) if it had been recorded:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2019	\$ 28,250,548	\$ 31,181,272	\$ (2,930,724)
Changes for the year:			
Service cost	491,145	-	491,145
Interest	2,006,456	-	2,006,456
Difference between expected and actual experience	(60,428)	-	(60,428)
Contributions - employer	-	522,811	(522,811)
Net investment income	-	385,080	(385,080)
Benefit payments, including refunds	(1,662,216)	(1,662,216)	-
Administrative expense	-	(40,459)	40,459
Other changes	-	1,626	(1,626)
Net changes	774,957	(793,158)	1,568,115
Balances at June 30, 2020	\$ 29,025,505	\$ 30,388,114	\$ (1,362,609)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.25%, as well as what the City’s net pension liability (asset) would be using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate.

	Current Single Discount		
	1% Decrease (6.25%)	Rate Assumption (7.25%)	1% Increase (8.25%)
Total pension liability	\$ 32,755,030	\$ 29,025,505	\$ 25,944,596
Plan fiduciary net position	\$ 30,388,114	\$ 30,388,114	\$ 30,388,114
Net pension liability (asset)	\$ 2,366,916	\$ (1,362,609)	\$ (4,443,518)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s net position is available in the separately issued LAGERS financial report.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As a result of the City using the modified cash basis of accounting, deferred outflows and inflows of resources are not recorded in the accompanying financial statements. In addition, pension expense is recorded as expenditures/expenses in the accompanying financial statements based on actual cash basis contributions made to the pension plan during the year ended June 30, 2020. However, the following summarizes the deferred outflows and inflows of resources, and pension expense if they had been recorded.

For the year ended June 30, 2020, the City’s pension expense under full accrual accounting would have been \$478,438. However, on the modified cash basis of accounting, the City recognized payments to LAGERS of \$517,937 as expense. The City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 234,905	\$ (359,085)
Changes in assumptions	44,383	-
Net difference between projected and actual earnings on pension plan investments	803,341	-
Total	\$ 1,082,629	\$ (359,085)

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

2021	\$	(194,485)
2022		130,952
2023		437,777
2024		356,646
2025		(7,346)
Thereafter		-
Total	\$	<u>723,544</u>

9. COMMITMENTS AND CONTINGENCIES

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; workman’s compensation; liability, crime, and employee errors and omissions; and natural disasters. The City purchases commercial insurance to provide coverage for general liability, property damage, and workers’ compensation. Settled claims have not exceeded this commercial insurance coverage in any of the past three years.

B. Litigation

The City is involved in lawsuits arising in the ordinary course of activities, including claims regarding construction contract issues, personal injury and discriminatory personnel practices, property condemnation proceedings, and suits contesting the legality of certain taxes. While these cases may have future financial effect, management, based on advice of counsel, believes that their ultimate outcome will not be material to the basic financial statements.

C. Intergovernmental Revenue

The City receives financial assistance from federal, state, and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the City. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements or the individual fund-types included herein or on the overall financial position of the City as of June 30, 2020.

D. Landfill Closure and Post-closure Costs

State and federal laws and regulations require that the City place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty-years after closure. As the City uses the modified cash basis of accounting, a liability is not recorded for future closure or post-closure costs that will be incurred at or near the date the landfill no longer accepts waste. The landfill was filled to capacity and closed in 2006 and the City received final closure status from the Missouri Department of Natural Resources (DNR) at that time. The liability for post-closure care costs is \$2,142,725 as of June 30, 2020, based on calculations performed by DNR. The actual cost of closure and post-closure care is subject to change based on inflation/deflation, technology changes, or changes in landfill laws and regulations.

The City does not have any assets restricted for the payment of these costs. The City intends to finance these costs from revenues generated from the Solid Waste Fund's charges for services and/or the General Fund's reserves.

Prior to the Mamtek failure and the City's resulting credit downrating, the City had pledged its resources to DNR to handle whatever issues may occur at the landfill. With the credit downrating, DNR policy required the City to post a \$380,000 performance bond with a commercial insurer (Lexon Insurance Company, formerly Old Hickory Insurance) and maintain a performance guarantee policy until such time that the City's credit rating returns to investment grade. Initially, the annual premium for this coverage was \$71,567; however, since the landfill was placed into post-closure monitoring status by DNR in 2016, the premium has decreased to \$41,116 annually, payable in December of each year.

E. Other Commitments

In fiscal year 2019, solar panels were installed throughout the City. The City entered into an agreement with a third party to operate, maintain, and repair these panels for \$15,660/month through June 30, 2039.

In fiscal year 2019, the City entered into an agreement with a third party to purchase body cameras and video evidence management software for the Police Department for \$19,128/year through August 2022.

In fiscal year 2020, the City entered into an energy performance contract with a third party for water meters (including an automated reading system), billing and accounting software, and energy efficient equipment for the water and wastewater plants. The total contract price was \$4,642,450, which will be paid in quarterly installments from November 1, 2020 through August 1, 2030.

10. FUND DISCLOSURES

The Airport Operating Fund has an accumulated deficit at June 30, 2020. This is due to interfund transfers to the Airport Operating Fund not being made until after yearend and as such, the deficit will be eliminated upon receipt of the transfers.

11. TAX ABATEMENTS

GASB Statement No. 77, *Tax Abatement Disclosures*, requires disclosures of tax information about (1) a reporting government's own tax abatement agreements, and (2) those that are entered into by other governments that reduce the reporting government's tax revenues. The City has entered into agreements with various organizations under RSMo 135.200-135.260 (Enterprise Zones) and 353.110 (Urban Redevelopment), which provide for the abatement of personal and real estate property taxes.

During the year ended June 30, 2020, the total assessed value of the property included in the Enterprise Zones was \$2,387,440, and the total tax abatements were \$25,247.

During the year ended June 30, June 30, 2020, the total assessed value of the property included in the Urban Redevelopment was \$5,052,228, and the total tax abatements were \$53,427.

12. RESTATEMENT

During the year ended June 30, 2020, the City determined several prior year balances were incorrect and needed to be restated.

As a result, the fund balances and net position as of June 30, 2019, were restated as follows:

	Fund balance/ net position, as previously reported	Effect of restatement	Fund balance/ net position, as restated
Governmental funds:			
General Fund	\$ 2,230,062	\$ 64,250	\$ 2,294,312
Capital Improvement Trust Fund	1,244,572	(172,460)	1,072,112
Parks and Recreation Fund	1,167	6,455	7,622
Transportation Trust Fund	1,432,723	37	1,432,760
Non-Major Funds	1,947,691	1,310	1,949,001
Proprietary funds:			
CWWSS Fund	4,840,220	(200,460)	4,639,760
Totals	<u>\$ 11,696,435</u>	<u>\$ (300,868)</u>	<u>\$ 11,395,567</u>

13. SUBSEQUENT EVENT

In October 2020, the City issued \$1,700,000 of limited general obligation bonds for the City of Moberly, Missouri Downtown Public Facilities Neighborhood Improvement District.

SUPPLEMENTARY INFORMATION

**CITY OF MOBERLY
COMBINING BALANCE SHEET
MODIFIED CASH BASIS
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

	<u>Non-Resident Lodging Fund</u>	<u>Heritage Hills Golf Course Fund</u>	<u>Airport Operating Fund</u>	<u>Perpetual Care Cemetery Principal Fund</u>	<u>Perpetual Care Cemetery Interest Fund</u>	<u>Use Tax Trust Fund</u>
ASSETS						
Cash and cash equivalents	\$ 155,299	\$ -	\$ 100	\$ 7,061	\$ 474,000	\$ 248,644
Prepaid expenses	-	-	3,235	-	-	-
Total assets	<u>\$ 155,299</u>	<u>\$ -</u>	<u>\$ 3,335</u>	<u>\$ 7,061</u>	<u>\$ 474,000</u>	<u>\$ 248,644</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Due to other funds	\$ -	\$ -	\$ 161,130	\$ -	\$ -	\$ -
Total liabilities	-	-	161,130	-	-	-
Fund balances:						
Nonspendable	-	-	3,235	-	-	-
Assigned for special revenue purposes	155,299	-	-	7,061	474,000	248,644
Unassigned	-	-	(161,030)	-	-	-
Total fund balances	<u>155,299</u>	<u>-</u>	<u>(157,795)</u>	<u>7,061</u>	<u>474,000</u>	<u>248,644</u>
Total liabilities and fund balances	<u>\$ 155,299</u>	<u>\$ -</u>	<u>\$ 3,335</u>	<u>\$ 7,061</u>	<u>\$ 474,000</u>	<u>\$ 248,644</u>

CITY OF MOBERLY
 COMBINING BALANCE SHEET (CONTINUED)
 MODIFIED CASH BASIS
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2020

	Inmate Security Fund	Police Forfeiture Fund	Street Improvements Fund	MODAG Grant/Loan Fund	Project Residuals Fund	ICSC/Buxton Fund	Railcar Preservation Fund	Luc CE
ASSETS								
Cash and cash equivalents	\$ 13,355	\$ 4,320	\$ 634,764	\$ 21,783	\$ 150,002	\$ 6,623	\$ 587	\$
Prepaid expenses	-	-	-	-	-	-	-	-
Total assets	<u>\$ 13,355</u>	<u>\$ 4,320</u>	<u>\$ 634,764</u>	<u>\$ 21,783</u>	<u>\$ 150,002</u>	<u>\$ 6,623</u>	<u>\$ 587</u>	<u>\$</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:								
Nonspendable	-	-	-	-	-	-	-	-
Assigned for special revenue purposes	13,355	4,320	634,764	21,783	150,002	6,623	587	
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	<u>13,355</u>	<u>4,320</u>	<u>634,764</u>	<u>21,783</u>	<u>150,002</u>	<u>6,623</u>	<u>587</u>	
Total liabilities and fund balances	<u>\$ 13,355</u>	<u>\$ 4,320</u>	<u>\$ 634,764</u>	<u>\$ 21,783</u>	<u>\$ 150,002</u>	<u>\$ 6,623</u>	<u>\$ 587</u>	<u>\$</u>

CITY OF MOBERLY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Non-Resident Lodging Fund	Heritage Hills Golf Course Fund	Airport Operating Fund	Perpetual Care Cemetery Principal Fund	Perpetual Care Cemetery Interest Fund	Use Tax Trust Fund
REVENUES						
Other taxes	\$ 92,330	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for goods and services	-	-	209,683	6,600	-	-
Grants and contributions	-	24,672	264,953	175	-	-
Interest	1,959	-	22	-	5,434	2,811
Miscellaneous	-	-	14,221	-	-	-
Total revenues	<u>94,289</u>	<u>24,672</u>	<u>488,879</u>	<u>6,775</u>	<u>5,434</u>	<u>2,811</u>
EXPENDITURES						
General government	95,258	-	-	-	-	-
Public safety	-	-	-	-	-	-
Transportation	-	-	687,822	-	-	-
Parks and recreation	-	65,439	-	-	-	-
Capital outlay	12,273	1,021,845	-	-	-	-
Debt service:						
Principal	-	100,000	-	-	-	-
Total expenditures	<u>107,531</u>	<u>1,187,284</u>	<u>687,822</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13,242)</u>	<u>(1,162,612)</u>	<u>(198,943)</u>	<u>6,775</u>	<u>5,434</u>	<u>2,811</u>
OTHER FINANCING SOURCES (USES)						
Debt proceeds	-	1,000,000	-	-	-	-
Transfers in	-	162,612	33,962	-	-	-
Transfers (out)	(2,000)	-	-	-	(5,434)	-
Total other financing sources (uses)	<u>(2,000)</u>	<u>1,162,612</u>	<u>33,962</u>	<u>-</u>	<u>(5,434)</u>	<u>-</u>
Net change in fund balances	(15,242)	-	(164,981)	6,775	-	2,811
Fund balances - beginning (as restated)	170,541	-	7,186	286	474,000	245,833
Fund balances - ending	<u>\$ 155,299</u>	<u>\$ -</u>	<u>\$ (157,795)</u>	<u>\$ 7,061</u>	<u>\$ 474,000</u>	<u>\$ 248,644</u>

CITY OF MOBERLY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
MODIFIED CASH BASIS
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Inmate Security Fund	Police Forfeiture Fund	Street Improvements Fund	MODAG Grant/Loan Fund	Project Residuals Fund	ICSC/Buxton Fund	Railcar Preservation Fund	Luc CI
REVENUES								
Sales taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-	-	-	-	-
Motor vehicle and license taxes	-	-	369,870	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-
Charges for goods and services	636	-	-	-	-	-	-	-
Grants and contributions	-	-	-	-	-	-	-	-
Interest	146	-	5,893	246	539	75	7	-
Miscellaneous	-	-	21,097	-	102,314	-	-	-
Total revenues	<u>782</u>	<u>-</u>	<u>396,860</u>	<u>246</u>	<u>102,853</u>	<u>75</u>	<u>7</u>	<u>-</u>
EXPENDITURES								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Transportation	-	-	177,838	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-
Capital outlay	-	-	54,813	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>232,651</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>782</u>	<u>-</u>	<u>164,209</u>	<u>246</u>	<u>102,853</u>	<u>75</u>	<u>7</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)								
Debt proceeds	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	782	-	164,209	246	102,853	75	7	-
Fund balances - beginning (as restated)	12,573	4,320	470,555	21,537	47,149	6,548	580	-
Fund balances - ending	<u>\$ 13,355</u>	<u>\$ 4,320</u>	<u>\$ 634,764</u>	<u>\$ 21,783</u>	<u>\$ 150,002</u>	<u>\$ 6,623</u>	<u>\$ 587</u>	<u>\$ -</u>

CITY OF MOBERLY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Original</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes:				
Sales	\$ 2,485,000	\$ 2,485,000	\$ 2,507,785	\$ 22,785
Franchise	2,190,000	2,190,000	1,854,183	(335,817)
Property	1,067,500	1,067,500	1,146,866	79,366
Motor vehicle and license	185,000	185,000	181,263	(3,737)
Other	592,500	632,500	585,878	(46,622)
Licenses, permits and fees	361,450	361,450	326,178	(35,272)
Charges for goods and services	711,149	711,149	613,995	(97,154)
Grants and contributions	68,035	68,035	25,181	(42,854)
Interest	30,300	30,300	22,310	(7,990)
Miscellaneous	85,500	85,500	223,855	138,355
Total revenues	<u>7,776,434</u>	<u>7,816,434</u>	<u>7,487,494</u>	<u>(328,940)</u>
EXPENDITURES				
General government	2,006,912	2,046,912	1,942,512	(104,400)
Public safety	4,056,309	4,056,309	3,860,732	(195,577)
Economic and community development	683,064	683,064	735,877	52,813
Transportation	895,116	895,116	792,405	(102,711)
Capital outlay	329,122	329,122	235,428	(93,694)
Debt service:				
Principal	-	-	93,242	93,242
Interest	-	-	9,928	9,928
Total expenditures	<u>7,970,523</u>	<u>8,010,523</u>	<u>7,670,124</u>	<u>(340,399)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(194,089)</u>	<u>(194,089)</u>	<u>(182,630)</u>	<u>11,459</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	194,089	194,089	5,434	(188,655)
Transfers (out)	-	-	(285,462)	(285,462)
Total other financing sources (uses)	<u>194,089</u>	<u>194,089</u>	<u>(280,028)</u>	<u>(474,117)</u>
Net change in fund balance	-	-	(462,658)	(462,658)
Fund balance - beginning (as restated)	<u>2,294,312</u>	<u>2,294,312</u>	<u>2,294,312</u>	<u>-</u>
Fund balance - ending	<u>\$ 2,294,312</u>	<u>\$ 2,294,312</u>	<u>\$ 1,831,654</u>	<u>\$ (462,658)</u>

CITY OF MOBERLY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT TRUST FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Original</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Sales taxes	\$ 1,185,000	\$ 1,185,000	\$ 1,197,326	\$ 12,326
Interest	27,800	27,800	17,568	(10,232)
Total revenues	<u>1,212,800</u>	<u>1,212,800</u>	<u>1,214,894</u>	<u>2,094</u>
EXPENDITURES				
General government	81,325	81,325	291,639	210,314
Capital outlay	1,595,000	1,595,000	12,147	(1,582,853)
Total expenditures	<u>1,676,325</u>	<u>1,676,325</u>	<u>303,786</u>	<u>(1,372,539)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(463,525)</u>	<u>(463,525)</u>	<u>911,108</u>	<u>1,374,633</u>
OTHER FINANCING USES				
Transfers out	<u>(533,957)</u>	<u>(533,957)</u>	<u>(869,129)</u>	<u>(335,172)</u>
Total other financing uses	<u>(533,957)</u>	<u>(533,957)</u>	<u>(869,129)</u>	<u>(335,172)</u>
Net change in fund balance	<u>(997,482)</u>	<u>(997,482)</u>	<u>41,979</u>	<u>1,039,461</u>
Fund balance - beginning (as restated)	<u>1,072,112</u>	<u>1,072,112</u>	<u>1,072,112</u>	<u>-</u>
Fund balance - ending	<u>\$ 74,630</u>	<u>\$ 74,630</u>	<u>\$ 1,114,091</u>	<u>\$ 1,039,461</u>

CITY OF MOBERLY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS
BUDGET AND ACTUAL
PARKS AND RECREATION FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Original</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes:				
Property	\$ 521,800	\$ 527,800	\$ 529,879	\$ 2,079
Other	5,000	5,000	4,801	(199)
Charges for goods and services	345,500	345,500	233,497	(112,003)
Grants and contributions	38,000	65,000	-	(65,000)
Miscellaneous	10,000	40,000	72,446	32,446
Total revenues	<u>920,300</u>	<u>983,300</u>	<u>840,623</u>	<u>(142,677)</u>
EXPENDITURES				
Parks and recreation	1,435,649	1,435,649	1,441,207	5,558
Capital outlay	625,300	810,300	789,106	(21,194)
Total expenditures	<u>2,060,949</u>	<u>2,245,949</u>	<u>2,230,313</u>	<u>(15,636)</u>
Deficiency of revenues under expenditures	<u>(1,140,649)</u>	<u>(1,262,649)</u>	<u>(1,389,690)</u>	<u>(127,041)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>1,140,649</u>	<u>1,262,649</u>	<u>1,389,405</u>	<u>126,756</u>
Total other financing sources	<u>1,140,649</u>	<u>1,262,649</u>	<u>1,389,405</u>	<u>126,756</u>
Net change in fund balance	-	-	(285)	(285)
Fund balance - beginning (as restated)	<u>7,622</u>	<u>7,622</u>	<u>7,622</u>	<u>-</u>
Fund balance - ending	<u>\$ 7,622</u>	<u>\$ 7,622</u>	<u>\$ 7,337</u>	<u>\$ (285)</u>

CITY OF MOBERLY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS
BUDGET AND ACTUAL
PARK SALES TAX TRUST FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Original</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes:				
Sales	\$ 1,185,000	\$ 1,185,000	\$ 1,196,743	\$ 11,743
Other	100,000	100,000	118,656	18,656
Interest	17,100	17,100	4,150	(12,950)
Total revenues	<u>1,302,100</u>	<u>1,302,100</u>	<u>1,319,549</u>	<u>17,449</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	53,460	53,460
Transfers (out)	(1,329,649)	(1,329,649)	(1,550,017)	(220,368)
Total other financing uses	<u>(1,329,649)</u>	<u>(1,329,649)</u>	<u>(1,496,557)</u>	<u>(166,908)</u>
Net change in fund balance	(27,549)	(27,549)	(177,008)	(149,459)
Fund balance - beginning	686,556	686,556	686,556	-
Fund balance - ending	<u>\$ 659,007</u>	<u>\$ 659,007</u>	<u>\$ 509,548</u>	<u>\$ (149,459)</u>

CITY OF MOBERLY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS
BUDGET AND ACTUAL
TRANSPORTATION TRUST FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Original</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Sales taxes	\$ 1,185,000	\$ 1,185,000	\$ 1,197,779	\$ 12,779
Grants and contributions	1,293,000	1,293,000	171,233	(1,121,767)
Interest	26,700	26,700	18,833	(7,867)
Miscellaneous	20,000	20,000	39,083	19,083
Total revenues	<u>2,524,700</u>	<u>2,524,700</u>	<u>1,426,928</u>	<u>(1,097,772)</u>
EXPENDITURES				
Transportation	1,724,025	1,724,025	758,452	(965,573)
Capital outlay	950,000	950,000	902,921	(47,079)
Total expenditures	<u>2,674,025</u>	<u>2,674,025</u>	<u>1,661,373</u>	<u>(1,012,652)</u>
Deficiency of revenues under expenditures	<u>(149,325)</u>	<u>(149,325)</u>	<u>(234,445)</u>	<u>(85,120)</u>
OTHER FINANCING SOURCES				
Transfers in	-	-	335,172	335,172
Total other financing sources	<u>-</u>	<u>-</u>	<u>335,172</u>	<u>335,172</u>
Net change in fund balance	(149,325)	(149,325)	100,727	250,052
Fund balance - beginning (as restated)	<u>1,432,760</u>	<u>1,432,760</u>	<u>1,432,760</u>	<u>-</u>
Fund balance - ending	<u>\$ 1,283,435</u>	<u>\$ 1,283,435</u>	<u>\$ 1,533,487</u>	<u>\$ 250,052</u>

**CITY OF MOBERLY
LAGERS (PENSION PLAN)
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS
June 30, 2020**

	2020	2019	2018	2017	2016	2015
Total pension liability						
Service cost	\$ 491,145	\$ 507,622	\$ 480,252	\$ 432,367	\$ 438,332	\$ 457,447
Interest on the total pension liability	2,006,456	1,965,673	1,930,051	1,857,428	1,803,146	1,767,608
Difference between expected and actual experience	(60,428)	(225,346)	(294,174)	336,659	(684,226)	(339,359)
Changes in assumptions	-	-	-	-	733,161	-
Benefit payments, including refunds	(1,662,216)	(1,691,899)	(1,586,437)	(1,708,021)	(1,375,279)	(1,396,636)
Net change in total pension liability	774,957	556,050	529,692	918,433	915,134	489,060
Total pension liability beginning	28,250,548	27,694,498	27,164,806	26,246,373	25,331,239	24,842,179
Total pension liability ending	<u>\$ 29,025,505</u>	<u>\$ 28,250,548</u>	<u>\$ 27,694,498</u>	<u>\$ 27,164,806</u>	<u>\$ 26,246,373</u>	<u>\$ 25,331,239</u>
Plan fiduciary net position						
Contributions - employer	\$ 522,811	\$ 465,987	\$ 440,592	\$ 399,480	\$ 430,772	\$ 441,997
Pension plan net investment income	385,080	1,964,625	3,328,352	3,186,635	(89,900)	538,229
Benefit payments, including refunds	(1,662,216)	(1,691,899)	(1,586,437)	(1,708,021)	(1,375,279)	(1,396,636)
Pension plan administrative expense	(40,459)	(35,485)	(25,265)	(24,355)	(24,221)	(26,469)
Other	1,626	179,769	(597,566)	(65,932)	(7,007)	(494,508)
Net change in plan fiduciary net position	(793,158)	882,997	1,559,676	1,787,807	(1,065,635)	(937,387)
Plan fiduciary net position beginning	31,181,272	30,298,275	28,738,599	26,950,792	28,016,427	28,953,814
Plan fiduciary net position ending	<u>\$ 30,388,114</u>	<u>\$ 31,181,272</u>	<u>\$ 30,298,275</u>	<u>\$ 28,738,599</u>	<u>\$ 26,950,792</u>	<u>\$ 28,016,427</u>
City's net pension liability (asset)	<u>\$ (1,362,609)</u>	<u>\$ (2,930,724)</u>	<u>\$ (2,603,777)</u>	<u>\$ (1,573,793)</u>	<u>\$ (704,419)</u>	<u>\$ (2,685,188)</u>
Plan fiduciary net position as a percentage of the total pension	104.69%	110.37%	109.40%	105.79%	102.68%	110.60%
Covered payroll	\$ 4,724,324	\$ 4,522,902	\$ 4,743,678	\$ 4,284,169	\$ 4,265,295	\$ 4,294,269
City's net pension liability (asset) as a percentage of covered payroll	28.84%	64.80%	54.89%	36.74%	16.52%	62.53%

Note: This schedule will ultimately contain ten years of data.

**CITY OF MOBERLY
LAGERS (PENSION PLAN)
SCHEDULE OF CONTRIBUTIONS –
LAST TEN FISCAL YEARS
June 30, 2020**

	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 546,167	\$ 510,279	\$ 465,319	\$ 434,062	\$ 480,456
Contributions in relation to the actuarially determined contribution	509,192	465,367	441,189	400,244	429,843
Contribution deficiency (excess)	<u>\$ 36,975</u>	<u>\$ 44,912</u>	<u>\$ 24,130</u>	<u>\$ 33,818</u>	<u>\$ 50,613</u>
Covered payroll	\$ 4,724,324	\$ 4,522,902	\$ 4,743,678	\$ 4,284,169	\$ 4,265,295
Contributions as a percentage of covered payroll	10.78%	10.29%	9.30%	9.34%	10.08%
	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 508,558	\$ 514,476	\$ 545,032	\$ 529,895	\$ 506,477
Contributions in relation to the actuarially determined contribution	442,617	420,065	376,259	342,657	296,314
Contribution deficiency (excess)	<u>\$ 65,941</u>	<u>\$ 94,411</u>	<u>\$ 168,773</u>	<u>\$ 187,238</u>	<u>\$ 210,163</u>
Covered payroll	\$ 4,294,269	\$ 4,216,293	\$ 4,216,066	\$ 4,346,395	\$ 4,333,491
Contributions as a percentage of covered payroll	10.31%	9.96%	8.92%	7.88%	6.84%

INTERNAL CONTROL AND COMPLIANCE



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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the City Council
City of Moberly

We have audited, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the modified cash basis financial statements of each major fund and the aggregate remaining fund information of the City of Moberly (the City), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 13, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* for considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

William K. Keiper, LLC

November 13, 2020

CITY OF MOBERLY
MANGEMENT LETTER
FOR THE YEAR ENDED
JUNE 30, 2020



2005 West Broadway, Suite 100, Columbia, MO 65203
OFFICE (573) 442-6171 FAX (573) 777-7800
3220 West Edgewood, Suite E, Jefferson City, MO 65109
OFFICE (573) 635-6196 FAX (573) 644-7240
www.williamskeepers.com

November 13, 2020

To the City Council
of the City of Moberly

In planning and performing our audit of the modified cash basis financial statements of each major fund and the aggregate remaining fund information of the City of Moberly (the City) as of and for the year ended June 30, 2020, in accordance with U.S. generally accepted auditing standards, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

In addition, we noted matters involving internal control that we have included in Attachment A. These recommendations are opportunities for the City to enhance its internal control.

This communication is intended solely for the information and use of management, the City Council, and others within the City, and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate the opportunity to be of service.

Sincerely,

Williams Keepers LLC

WILLIAMS-KEEPERS LLC

ATTACHMENT A

CONTINUING OTHER RECOMMENDATIONS

Access to the Accounting Software

We noted some of the City's employees have full access to the accounting software. This creates a lack of control over the software where employees could potentially alter, corrupt, or delete financial information.

We recommend the City review the access granted to the accounting software. In general, employees should only be given access to the modules in the software to which they have a logical need for such access.

Information Technology

We noted the City does not have a formal IT or security policy. We also noted the City does not have a password policy including complexity requirements (i.e. a certain number of characters, including both lower- and upper-case letters, numbers, symbols, etc.), requiring passwords to be changed (and not reused), etc. A lack of such policies increases the City's susceptibility to fraud and other risks.

We recommend the City develop a formal IT or security policy, including a password policy.

Interfund Balances

We noted the balances receivable and payable between the City's funds either continue to grow or remain the same each year, instead of being removed by interfund transfers.

We recommend the City's funds either repay each other or the City record interfund transfers in order to remove these balances.

Special Revenue Funds

We noted the City has numerous special revenue funds, some of which are inactive and/or rarely used.

We recommend the City assess which special revenue funds need to be accounted for/tracked separately and consider combining the other funds into one fund for accounting and financial reporting purposes.

PRIOR YEAR OTHER RECOMMENDATIONS IMPLEMENTED

Bank Reconciliations

In the prior year, we noted bank reconciliations weren't being performed on the City's accounts that normally didn't have a bank balance at the end of the month.

We recommended the City monitor these accounts and if they had a bank balance at the end of the month, they should be reconciled and recorded on the City's books.

Status: The City monitored, reconciled, and recorded these accounts in the current year.

Prepaid Expenses

In the prior year, we noted the City's only modification to the cash basis of accounting resulted from recording prepaid expenses related to certain cash transactions. Specifically, the City's annual payment to the Missouri Intergovernmental Risk Management Association (MIRMA) is automatically withdrawn from one of its accounts prior to yearend for the following year; however, the City historically had not recorded the payment as expenditures/expenses until the following year, resulting in prepaid expenses at yearend.

We recommended the City either: 1) continue modifying the cash basis financial statements by recording the City's annual payment to MIRMA as prepaid expenses at yearend or 2) discontinue modifying the cash basis financial statements by recording the City's annual payment to MIRMA as expenditures/expenses in the year in which the payment is made.

Status: The City continued modifying the cash basis financial statements by recording the City's annual payment to MIRMA as prepaid expenses at yearend in the current year.

**CITY OF MOBERLY
FISCAL YEAR 2020 - 2021 BUDGET**

FIVE YEAR CAPITAL IMPROVEMENT PLAN BY DEPARTMENT

Created:
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Final

Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
City Clerk (100.002.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Document scanner	\$3,500			\$3,500			
Subtotal	\$3,500	\$0	\$0	\$3,500	\$0	\$0	\$0
<i>Five Year Average =</i>							<i>\$700</i>
Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Community Development (100.005.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Housing services	\$50,000	\$30,000	\$20,000				
Subdivision regulations update	\$30,000			\$30,000			
Street specifications & master plan	\$70,000				\$70,000		
Subtotal	\$150,000	\$30,000	\$20,000	\$30,000	\$70,000	\$0	\$0
<i>Five Year Average =</i>							<i>\$24,000</i>
Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Police (100.007.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Body cameras & video storage system (mfg. financing)	\$83,623	\$26,239	\$19,128	\$19,128	\$19,128		
Patrol car/SUV replacement	\$455,000	\$75,000		\$95,000	\$95,000	\$95,000	\$95,000
Subtotal	\$538,623	\$101,239	\$19,128	\$114,128	\$114,128	\$95,000	\$95,000
<i>Five Year Average =</i>							<i>\$87,477</i>
Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Fire (100.008.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Pumper truck lease-purchase (thru 2/2021)	\$124,168	\$62,084	\$62,084				
12 SCBA with bottle & mask	\$81,600		\$27,200	\$27,200	\$27,200		
Triple combination pumper truck + equipment (8 year lease purchase 2022-2030, \$545K + interest)	\$515,000			\$68,125	\$68,125	\$68,125	\$68,125
78 foot quint pumper truck + equipment (8 year lease purchase 2022-2030, \$845K + interest)	\$845,000			\$105,625	\$105,625	\$105,625	\$105,625
Used aerial truck, 95' +	\$350,000				\$350,000		
Subtotal	\$1,915,768	\$62,084	\$89,284	\$200,950	\$550,950	\$173,750	\$173,750
<i>Five Year Average =</i>							<i>\$237,737</i>
Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Street (100.009.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Machine shop equipment	\$30,000			\$30,000			
GeoMelt mixing station	\$15,000			\$15,000			
New shop air compressor	\$10,000			\$10,000			
Replace diagnostic software	\$11,500			\$11,500			
Replace 4-post vehicle lift	\$20,000			\$20,000			
Replace maintenance shop building (10 year financing)	\$1,500,000				\$172,500	\$172,500	\$172,500
Replace truck garage building (10 year financing)	\$500,000				\$57,500	\$57,500	\$57,500
Additional salt storage building (5 year financing)	\$100,000				\$21,500	\$21,500	\$21,500
Subtotal	\$2,186,500	\$0	\$0	\$86,500	\$251,500	\$251,500	\$251,500
<i>Five Year Average =</i>							<i>\$168,200</i>

**CITY OF MOBERLY
FISCAL YEAR 2020 - 2021 BUDGET**

FIVE YEAR CAPITAL IMPROVEMENT PLAN BY DEPARTMENT

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Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Cemetery (100.010.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Replace mowers & weed eaters	\$49,000	\$9,000		\$10,000	\$10,000	\$10,000	\$10,000
Subtotal	\$49,000	\$9,000	\$0	\$10,000	\$10,000	\$10,000	\$10,000
<i>Five Year Average =</i>							\$8,000
Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Emergency Management (100.012.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
2 emergency alert sirens	\$68,250	\$26,180		\$37,000	\$26,000		
Subtotal	\$68,250	\$26,180	\$0	\$37,000	\$26,000	\$0	\$0
<i>Five Year Average =</i>							\$12,600
General Fund subtotal	\$4,911,641	\$228,503	\$128,412	\$482,078	\$1,022,578	\$530,250	\$291,350

Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Heritage Hills Golf Course (114.000.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
2 greens mowers	\$68,250		\$85,000				
Subtotal	\$68,250	\$0	\$85,000	\$0	\$0	\$0	\$0
<i>Five Year Average =</i>							\$17,000

Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Parks (115.041.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Depot Park Pavilion and Restroom	\$190,000		\$190,000				
Pool fencing	\$16,000		\$16,000				
Concrete for solar pavilions (pool & Riley Pavilion)	\$80,000		\$80,000				
Truck replacement (2021= 2 trucks)	\$145,000	\$25,000		\$45,000	\$25,000	\$25,000	\$25,000
UTV replacement	\$15,000			\$15,000			
Replace lighting on Rothwell fields	\$100,000			\$50,000	\$50,000		
Skid steer loader replacement	\$45,000				\$45,000		
Replace mowers	\$3,600					\$3,600	
Subtotal	\$594,600	\$25,000	\$286,000	\$110,000	\$120,000	\$28,600	\$25,000
<i>Five Year Average =</i>							\$113,920

Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Athletic Complex (115.048.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
UTV replacement	\$42,000	\$10,000		\$32,000			
Field groomer	\$25,000			\$25,000			
Truck replacement	\$25,000				\$25,000		
Golf cart replacement	\$20,000				\$20,000		
Mower replacement	\$39,000	\$15,000				\$24,000	
Subtotal	\$151,000	\$25,000	\$0	\$57,000	\$45,000	\$24,000	\$0
<i>Five Year Average =</i>							\$25,200

**CITY OF MOBERLY
FISCAL YEAR 2020 - 2021 BUDGET**

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Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Utilities - Distribution & Collection (301.112.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Large Vector truck replacement (4 year lease purchase)	\$235,752	\$78,584	\$78,584	\$78,584			
Pickup truck replacement	\$210,000	\$35,000	\$35,000	\$70,000	\$70,000		
Water valve replacement program	\$300,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
JD backhoe replacement (3 year lease purchase)	\$120,000		\$40,000	\$40,000	\$40,000		
2005 dump truck replacement (3 year lease purchase)	\$100,000		\$40,000	\$30,000	\$30,000		
Backwater valve program	\$120,000			\$30,000	\$30,000	\$30,000	\$30,000
2010 dump truck replacement (3 year lease purchase)	\$100,000				\$40,000	\$30,000	\$30,000
Small Vector truck replacement (4 year lease purchase)	\$300,000				\$100,000	\$100,000	\$100,000
Case backhoe replacement (3 year lease purchase)	\$90,000					\$45,000	\$45,000
Large Vector truck replacement (4 year lease purchase)	\$80,000						\$80,000
Flow meters & smart covers (SRF project)	\$100,000		\$50,000	\$50,000			
Sewer main rehabilitation projects (SRF project)	\$2,000,000			\$500,000	\$500,000	\$500,000	\$500,000
Subtotal	\$3,755,752	\$163,584	\$243,584	\$298,584	\$360,000	\$255,000	\$335,000
<i>Five Year Average =</i>							\$298,434
Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Utilities - Water Treatment (301.113.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Filter & benchtop turbidimeter	\$20,000		\$20,000				
Truck replacement (Ranger)	\$40,000			\$40,000			
Pickup truck replacement (plant)	\$40,000				\$40,000		
Repair upflow clarifiers (SRF project)	\$550,000		\$50,000	\$500,000			
Engineering for clearwell baffles (SRF project)	\$100,000			\$100,000			
Baffle in round clearwell (SRF project)	\$500,000				\$500,000		
Baffle in clearwell under plant (SRF project)	\$500,000				\$500,000		
Subtotal	\$1,750,000	\$0	\$20,000	\$40,000	\$40,000	\$0	\$0
<i>Five Year Average =</i>							\$20,000
Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Utilities - Wastewater Treatment (301.114.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Replace sludge basin #1 mixers	\$50,000		\$50,000				
Roof replacements	\$100,000		\$100,000				
Replace sludge reel	\$50,000		\$50,000				
Clean Taylor Street CSO	\$50,000		\$50,000				
Replace digester mixers	\$120,000			\$120,000			
4" Trailer-mounted pump	\$45,000			\$45,000			
Zero-turn mower	\$12,000			\$12,000			
Pickup truck replacement	\$25,000			\$25,000			
Clean 7 Bridges lagoon (SRF project)	\$550,000		\$550,000				
Clean sludge basins @ plant (SRF project)	\$250,000		\$250,000				
Clean Rollins lagoon (SRF project)	\$350,000		\$350,000				
N Morley lift station upgrades (SRF project)	\$1,000,000		\$1,000,000				

**CITY OF MOBERLY
FISCAL YEAR 2020 - 2021 BUDGET**

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Project in 5 year CIP

Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Utilities - Wastewater Treatment (301.114.5502) (cont'd.)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Northwest pump station (SRF Project)	\$2,950,000		\$150,000	\$2,800,000			
Biosolids land application improvements (SRF project)	\$300,000		\$100,000	\$100,000	\$100,000		
Darwood lift station screen (SRF project)	\$250,000			\$250,000			
Replace East Rollins lift station (SRF project)	\$2,230,000			\$390,000	\$1,840,000		
Heritage Hills sewer connection (SRF project)	\$350,000				\$350,000		
Subtotal	\$8,682,000	\$0	\$250,000	\$202,000	\$0	\$0	\$0
<i>Five Year Average =</i>							<i>\$90,400</i>
Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Capital Improvement Sales Tax Trust (304.000.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
N Morley/Hwy 24 water main/sidewalk project	\$200,000	\$200,000					
Plumrose booster pump station	\$500,000		\$500,000				
Sugar Creek Lake dam repairs	\$400,000		\$400,000				
Harrison Ave. & Garfield Ave. water mains	\$600,000	\$400,000	\$200,000				
GIS system upgrades	\$240,000		\$80,000	\$80,000	\$80,000		
Downtown NID payments (2021-2038)	\$402,500		\$80,500	\$80,500	\$80,500	\$80,500	\$80,500
Sturgeon St water main replacement (SRF project)	\$700,000		\$700,000				
S Morley water main replacement (SRF project)	\$1,600,000		\$1,600,000				
Sparks Avenue lift station (SRF project)	\$625,000		\$625,000				
Logan St water main loop (SRF project)	\$2,350,000			\$200,000	\$2,150,000		
Subtotal	\$7,617,500	\$600,000	\$1,260,500	\$160,500	\$160,500	\$80,500	\$80,500
<i>Five Year Average =</i>							<i>\$348,500</i>
Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Emergency Telephone Fund (400.000.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
MC550 Two Position Dispatch Radio	\$160,338	\$127,470	\$32,868				
Subtotal	\$160,338	\$127,470	\$32,868	\$0	\$0	\$0	\$348,500
<i>Five Year Average =</i>							<i>\$76,274</i>
Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Transportation Trust (600.000.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Street overlay/slurry seal	\$3,500,000	\$500,000	\$500,000	\$550,000	\$600,000	\$650,000	\$700,000
Repave maintenance facility parking lot	\$50,000				\$50,000		
Subtotal	\$3,550,000	\$500,000	\$500,000	\$550,000	\$650,000	\$650,000	\$700,000
<i>Five Year Average =</i>							<i>\$610,000</i>
Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Street Improvement (601.000.5502)	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Small equipment	\$19,000	\$8,000	\$2,000	\$2,000	\$2,000	\$2,000	\$3,000
Pickups/utility trucks replacement	\$247,000	\$44,000	\$35,000	\$36,000	\$47,000	\$47,000	\$38,000
Snow plows for trucks (8)	\$43,500	\$6,000	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
Salt machines for light trucks	\$36,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
1 ton truck with utility body for tool storage (2 year financing)	\$57,000		\$28,500	\$28,500			

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Department	Item	Last Year	Current	Impending	Planned	Planned	Planned
Street Improvement (601.000.5502) {cont'd.}	Cost	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
Used tandem axle dump truck with snow plow (3 year fin.)	\$135,000		\$45,000	\$45,000	\$45,000		
Sickle mower - mid mount	\$20,000		\$20,000				
Skid loader with brush hog & plow (2 year financing)	\$76,000		\$38,000	\$38,000			
Replace traffic control equipment (cones, signs, barricades, etc.)	\$10,000		\$10,000				
Waste oil furnace with oil tank	\$8,500		\$8,500				
Tilt deck trailer	\$7,500		\$7,500				
Replace street sweeper	\$108,000		\$36,000	\$36,000	\$36,000		
6-way rear hydraulic blade for John Deere tractor	\$8,000		\$8,000				
Forklift	\$20,000		\$20,000				
Wheel loader replacement	\$100,000			\$50,000	\$50,000		
New single axle dump truck, spreader, & plow (3 year fin.)	\$165,000			\$55,000	\$55,000	\$55,000	
New single axle dump truck, spreader, & plow (3 year fin.)	\$165,000					\$55,000	\$55,000
1,000cc 4x4 UTV	\$27,000	\$12,000					\$15,000
Subtotal	\$345,500	\$64,000	\$272,000	\$51,500	\$62,500	\$62,500	\$54,500
<i>Five Year Average =</i>						\$100,600	
GRAND TOTAL ALL DEPARTMENTS	\$32,493,581	\$1,745,557	\$8,503,364	\$7,094,162	\$8,586,578	\$2,240,850	\$1,070,850

Note: Items in red in departments 301.112, 301.113, 301.114, and 304.000 noted as SRF projects will be funded by the SRF (State Revolving Fund) program as a result of the June 2, 2020 election in which the Moberly citizens authorized the issuance of \$18 million in bonds for water & sewer system repairs. This program offers federally subsidized low-interest loans for municipalities to reduce the burden of replacing and repairing aging water and sewer infrastructure. These amounts are not included in the annual totals for items in each department.

Lichti, Tobin

From: Mary West <mwc@cityofmoberly.com>
Sent: Wednesday, February 10, 2021 3:10 PM
To: Lichti, Tobin
Subject: [EXTERNAL] water and energy efficiency projects

Tobin,

As part of the water and energy efficiency projects completed last year the City contracted for the following work (all were approved for BizSaver grants from Ameren):

Replaced 3-100 hp blowers and installed variable frequency drives for the blowers at the Wastewater Treatment Plant
Replaced all air diffuser socks at the WWTF to increase air exchange efficiency
Installed solar panels at several wastewater facilities including lift stations and the wastewater plant

Installed 3 VFDs on 100 hp high service pumps at the Water Plant including upgraded motor control center
Installed solar panels at the Water Treatment Plant, and the Pump House at Sugar Creek Lake
Upgraded iconrol programming/PLC/Scada and firewalls at water towers and pump house

The solar projects were completed in 2019.

We are also in the process of replacing all water meters in the system and installing new AMI meter reading equipment and software. This is anticipated to help our non-revenue water problem, and thereby increasing water and sewer revenues. This work included a full system inventory of lead service lines to allow for a schedule to replace the lead service lines that the City maintains between the meter and the main. We hope by achieving better meter accuracy we will be able to identify loss due to leaks and begin an aggressive leak detection program to target repairs.

Sincerely,
Mary West-Calcano
Director of Public Utilities
City of Moberly, MO
(660) 269-7659
mwc@cityofmoberly.com

What people believe prevails over truth. Sophocles

City of Moberly City Council Agenda Summary

Agenda Number: _____ WS #4.

Department: Public Utilities

Date: February 6, 2023

Agenda Item: A Discussion Regarding Moberly State Regional Incentive Grant Application Submittal To DNR And Authorizing The City Manager To Submit The Application.

Summary: The City of Moberly is required to submit documentation in the form of this completed resolution as part of the application for Regional Incentive Grant (RIG) application. This RIG application will consist of providing sewer service to the Orton Lane development in SW Moberly. The existing system has a history of chronic noncompliance and DNR reached out to Moberly in an effort to have the system connect to Moberly’s sewer system. As a part of this process, an initial application must be submitted in order to qualify for the 100% RIG for the project, to include design, construction and equipment. During design, Jacobs staff have been directed to size the system to be able to sewer the entire drainage for anticipated future development.

Recommended

Action: Direct staff to offer a resolution at the next council meeting

Fund Name: N/A

Account Number: N/A

Available Budget \$: N/A

ATTACHMENTS:	Roll Call	Aye	Nay
___ Memo			
___ Staff Report			
___ Correspondence			
___ Bid Tabulation			
___ P/C Recommendation			
___ P/C Minutes			
___ Application			
___ Citizen			
___ Consultant Report			
___ Council Minutes			
___ Proposed Ordinance			
___ Proposed Resolution			
___ Attorney's Report			
___ Petition			
___ Contract			
___ Budget Amendment			
___ Legal Notice			
___ Other _____			
	Mayor		
	M___ S___ Jeffrey	___	___
	Council Member		
	M___ S___ Brubaker	___	___
	M___ S___ Kimmons	___	___
	M___ S___ Lucas	___	___
	M___ S___ Kyser	___	___
		Passed	Failed



RESOLUTION OF GOVERNING BODY OF APPLICANT RESOLUTION NO. _____

(Suggested Form for Grant/Loan Applicant use)

Resolution authorizing the filing of an application with the Missouri Department of Natural Resources, Clean State Revolving Fund Program for a regionalization incentive grant under the Missouri Clean Water Law (Chapter 644, RSMo.).

WHEREAS pursuant to the terms of the Missouri Clean Water Law, Chapter 644, Revised Statutes of Missouri, the State of Missouri has authorized the making of loans and/or grants to authorized applicants to aid in the planning of specific public projects.

NOW, THEREFORE, be it resolved by _____
(Governing body of applicant)

1. That _____ be and he/she is hereby authorized to execute and
(Designated official)

file an application on behalf of _____
(Legal name of applicant)

with the State of Missouri for a loan and/or grant to aid in the planning of:

(Brief project description)

2. That _____,
(Name of authorized official)

(Title)

is hereby authorized and directed to furnish such information as the Missouri Department of Natural Resources may reasonably request in connection with the application which is herein authorized, to sign all necessary documents on behalf of the applicant, to furnish such assurances to the Missouri Department of Natural Resources as may be required by statute or regulation, and to receive payment on behalf of the applicant.

CERTIFICATE OF RECORDING OFFICER

The undersigned, duly qualified and acting _____ of the
(Title of officer)

_____, does hereby certify: That the attached resolution is a
(Legal name of applicant)

true and correct copy of the resolution adopted at a legally convened meeting of the _____

_____ held on the _____ day of _____;
(Name of the governing body of applicant)

and further that such resolution has been fully recorded in the journal of proceedings and records in my office. IN

WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____.

(Signature of recording officer)

(Title of recording officer)

SEAL (If applicant has an official seal, impress here.)

City of Moberly City Council Agenda Summary

Agenda Number: WS #5.
 Department: Police
 Date: February 6, 2022

Agenda Item: Resolution authorizing the Mother’s Day 5k to raise money for families battling Cancer on May 14, 2023.

Summary: The Mother’s Day 5K to raise funds to go toward Cancer Treatments is an annual event. Event begins at 1509 Union Ave at 9:00am. Participants will travel west on Union Ave to Mullen St, south on Mullen to Taylor St. West on Taylor to Bertley St south on Bertley to Roberts St, west on Roberts to the parking lot at 300 N Morley, north through the parking lot to Farror St, east on Farror to Porter street, north on Porter to Franklin Ave, east on Franklin Ave to St. Charles, south on St. Charles to Union Ave, east on Union Ave to the finish point at 1509 Union Ave. Contact person is Lori Turk, 660-651-2719. 200 participants are expected, volunteers will be along the route at intersections to help with traffic control. Law Enforcement is requested to lead the 5k.

Recommended Action

Approve the request

Fund Name:

Account Number:

Available Budget \$:

ATTACHMENTS:		Roll Call	Aye	Nay
<input type="checkbox"/> Memo	<input type="checkbox"/> Council Minutes	Mayor		
<input checked="" type="checkbox"/> Staff Report	<input type="checkbox"/> Proposed Ordinance	M___ S___ Jeffrey	___	___
<input type="checkbox"/> Correspondence	<input type="checkbox"/> Proposed Resolution	Council Member		
<input type="checkbox"/> Bid Tabulation	<input type="checkbox"/> Attorney’s Report	M___ S___ Brubaker	___	___
<input type="checkbox"/> P/C Recommendation	<input type="checkbox"/> Petition	M___ S___ Kimmons	___	___
<input type="checkbox"/> P/C Minutes	<input type="checkbox"/> Contract	M___ S___ Davis	___	___
<input type="checkbox"/> Application	<input type="checkbox"/> Budget Amendment	M___ S___ Kyser	___	___
<input type="checkbox"/> Citizen	<input type="checkbox"/> Legal Notice		Passed	Failed
<input type="checkbox"/> Consultant Report	<input type="checkbox"/> Other _____			

Moberly!

WS #5.

City of

Police Department
Troy Link
Chief of Police
223rd Session FBI Academy

300 N Clark Street
Moberly, MO 65270
Phone: 660-263-0346
Fax: 660-263-8540

Walk/Run Application Permit

Application Date: 1-23-23
(Note: Application Date must be received by staff sixty (60) days prior to the event)

Requested Date of event: 5-14-23

Purpose of event: Raise funds for cancer diagnosis + treatment

Name of event director: Lori Turk

Contact phone, & Address of director: 660-651-2719 1161 Oxbow Lane
Moberly, MO 65270

Approximate number of participants: ~200

Route requested, Begin & End Time: Begin at 1509 union ave. Proceed up Union to
Maellen Lane. Go left on Taylor to Bertley. Go left to Roberts. Turn right on Roberts.
Go through parking lot of Sam's Healthmart. Exit parking lot to Porter St. Take
Porter to Franklin. Go Right on Franklin to St. Charles St. Go Right on
St. Charles. Turn Left on Union and finish at 1509 Union Ave.
(Please include a map diagram showing start to finish)

Will the route/streets be marked? Yes: No:

Will the organization furnish personnel to assist with the event?

Yes: No: If yes, how many? ~ 10-15

Signature of applicant: Lori Turk

Approved: Declined:

Authorizing Official: [Signature] Date: 01-25-23

Emergency services assistance to monitor traffic may be provided for a period of time up to one (1) hour after the race begins. For races occurring in Rothwell Park, please contact the Parks and Recreation office to obtain specific guidelines that only apply to races located inside the park.

❖ No permanent paint may be used on roads or trans. Only spray chalk or temporary paint with a life of not more than 30 days may be used

City of Moberly City Council Agenda Summary

Agenda Number: _____
Department: Police
Date: February 6, 2023

Agenda Item: A Resolution Approving Equipment Usage Agreement Between Burrell Health And The Police Department.

Summary: Burrell Health operates the Virtual-Mobile Crisis Intervention partnership to provide timely and efficient virtual face-to-face crisis intervention for individuals suspected of mental health issues. Through this usage agreement, Burrell health would provide the Moberly Police Department with the needed equipment to facilitate the virtual face-to-face intervention. There is no cost to the department unless the supplied equipment is stolen, vandalized, misplaced, destroyed or damaged.

Recommended Action: Direct staff to bring to the February 21st Council meeting for final approval.

Fund Name:

Account Number:

Available Budget \$:

ATTACHMENTS:		Roll Call	Aye	Nay
<input type="checkbox"/> Memo	<input type="checkbox"/> Council Minutes	Mayor		
<input type="checkbox"/> Staff Report	<input type="checkbox"/> Proposed Ordinance	M___ S___ Jeffrey	___	___
<input checked="" type="checkbox"/> Correspondence	<input type="checkbox"/> Proposed Resolution	Council Member		
<input type="checkbox"/> Bid Tabulation	<input type="checkbox"/> Attorney's Report	M___ S___ Brubaker	___	___
<input type="checkbox"/> P/C Recommendation	<input type="checkbox"/> Petition	M___ S___ Kimmons	___	___
<input type="checkbox"/> P/C Minutes	<input type="checkbox"/> Contract	M___ S___ Lucas	___	___
<input type="checkbox"/> Application	<input type="checkbox"/> Budget Amendment	M___ S___ Kyser	___	___
<input type="checkbox"/> Citizen	<input type="checkbox"/> Legal Notice			
<input type="checkbox"/> Consultant Report	<input type="checkbox"/> Other _____		Passed	Failed

Burrell Equipment Usage Contract

The Virtual-Mobile Crisis Intervention partnership exists to provide timely and efficient virtual face-to-face crisis intervention for individuals suspected of mental health issues. The purpose of this document is to signify the formal, mutual agreement regarding the use of equipment supplied by Burrell, Inc. to the Law Enforcement agencies (LEAs) identified below under the Virtual-Mobile Crisis Intervention project.

Member Responsibilities:

Burrell, Inc. is the administrative agent for the Department of Mental Health in 17 counties in central and southwest Missouri. Burrell is providing equipment to facilitate the operation of the Virtual-Mobile Crisis Intervention project and a 24/7 crisis intervention service for an undetermined period of time.

Each participating LEA must agree to the following regarding the use of Burrell equipment:

1. I understand that the LEA is responsible for maintaining the equipment in working condition while said equipment is in the agency's possession or purview.
2. The LEA agrees to return the equipment in the same working condition as the agency received it, and return to the designated Burrell Behavioral Health Staff.
3. I agree and understand that if instructed by Burrell, Inc. to return the hardware/software given to the LEA to use, the LEA must comply immediately.
4. I agree and understand that if the equipment and/or other related items are stolen, vandalized, misplaced, destroyed, damaged, etc. the LEA is responsible and will reimburse (pay) Burrell, Inc. for the amount required to replace or repair the equipment, software or other related items or the LEA will replace the equipment, software or other related items with equipment, software or other related items approved by Burrell, Inc.
5. I agree that employees of the LEA will not use the equipment for any other purpose except that for which it was intended.

Each participating LEA must agree to one of the following network connectivity options:

LEA Mobile Network Option: I understand the LEA is responsible for providing the equipment with mobile internet access through the LEA's mobile network.

Burrell Mobile Network Option: I understand Burrell, Inc is responsible for providing the equipment with mobile internet access through Burrell's mobile network.

Law Enforcement Agency: _____

LEA Representative: _____
Name
Signature
Date

Burrell Staff: _____
Name
Signature
Date

Burrell IT USE ONLY:

Equipment Description	ID Number	Date
Apple iPad & Charger		
Protective Case	OtterBox Defender	

City of Moberly City Council Agenda Summary

Agenda Number: WS #7.
 Department: Parks & Recreation
 Date: February 6, 2023

Agenda Item: 2023 Fireworks Agreement

Summary: The City has had a positive ongoing relationship with J&M Displays for decades. J&M is a very professional and safe company which is responsible for most of the larger shows in Missouri including the show in Jefferson City. Given the size and scale of the show, the professionalism and technical experience required, the potential safety risks given the mass crowd and adjacent forests, J&M’s familiarity with the facility, and the fact that J&M Displays provides bonus product given the size of the show and early order, staff recommends continuing with J&M Displays in 2023.

The contract is attached for \$25,000, a \$2,000 increase from last year to help maintain the size of the show and the draw from throughout Missouri and other states. The final proposal will include discounts and bonus product for a multi-year relationship and early payment. Please see the attached agreement.

Also note the \$10,000,000 insurance carried by J&M Displays. The City of Moberly will, as in past years, be listed as an additional insured.

Recommended

Action: Ask staff to bring a resolution for approval at the February 21, 2023 meeting.

Fund Name: Recreation – Contract Services

Account Number: 115.043.5406

Available Budget \$: \$30,745

ATTACHMENTS:		Roll Call	Aye	Nay
<input type="checkbox"/> Memo	<input type="checkbox"/> Council Minutes	Mayor		
<input type="checkbox"/> Staff Report	<input type="checkbox"/> Proposed Ordinance	M___ S___ Jeffrey	___	___
<input type="checkbox"/> Correspondence	<input type="checkbox"/> Proposed Resolution			
<input type="checkbox"/> Bid Tabulation	<input type="checkbox"/> Attorney's Report	Council Member		
<input type="checkbox"/> P/C Recommendation	<input type="checkbox"/> Petition	M___ S___ Brubaker	___	___
<input type="checkbox"/> P/C Minutes	<input checked="" type="checkbox"/> Contract	M___ S___ Kimmons	___	___
<input type="checkbox"/> Application	<input type="checkbox"/> Budget Amendment	M___ S___ Kyser	___	___
<input type="checkbox"/> Citizen	<input type="checkbox"/> Legal Notice	M___ S___ Lucas	___	___
<input type="checkbox"/> Consultant Report	<input type="checkbox"/> Other_____		Passed	Failed



FIREWORKS DISPLAY AGREEMENT

WS #7.

SHIPPED DISPLAY AGREEMENT

THIS AGREEMENT is made and entered into this 10 day of January, 2023, by and between J&M Displays, Inc., an Iowa corporation, having its principal place of business at Yarmouth, Iowa, including its employees, owners, and agents, hereinafter referred to as “Seller”, and City of Moberly, hereinafter referred to as “Buyer”.

Seller shall provide to Buyer the display fireworks for one (1) shipped fireworks display, as per the \$ 25,000 program (the “Fireworks Program”) prepared jointly by Buyer and Seller, and which by reference is made a part hereof as Exhibit A.

BUYER AFFIRMATIONS

I, the undersigned Buyer (individually or on behalf of a municipality or licensee), Affirm the following to be true:

1. I am the holder of a valid license or permit issued by the Bureau of Alcohol, Tobacco, Firearms, and Explosives; or I am the appropriately authorized representative of a municipality that is purchasing the fireworks (initial one);
2. I acknowledge and understand that the use of display fireworks is an inherently dangerous activity, and I assume fully responsible for the use of any and all products purchased from J&M Displays;
3. I am purchasing the fireworks for my own (or my municipality’s) use in a single fireworks display, and will ensure that no explosive material is transferred to, or acquired by, any other individual or entity;
4. I agree to completely and immediately indemnify and hold harmless J&M Displays from any and all claims made by any party, known or unknown at the time of this Agreement, related to the selling, distribution, transfer, manufacture, manipulation, or modification of any explosive material subsequent to my purchase;
5. I am aware of, and appropriately trained in, the safety rules and conduct guidelines promulgated by the NFPA, BATFE, and my State and local regulations. I agree to fully comply with and obey all applicable National, State, and local regulations and NFPA guidelines;
6. I understand that I am not an employee or agent of J&M Displays or any related entity. I am a customer purchasing product from J&M Displays and am solely responsible for the safe and lawful use of the product.

IT IS FURTHER UNDERSTOOD AND AGREED BETWEEN THE PARTIES AS FOLLOWS:

- I. LICENSING and PERMITTING
 - a. Buyer affirms that it is a municipality or has a valid license or permit from the Bureau of Alcohol, Tobacco, Firearms & Explosives and waives the services of Seller related to the setup, performance, and teardown of the fireworks display. Buyer agrees to provide a copy of the appropriate paperwork to Seller at the time of signing this Agreement.
 - b. Buyer is solely responsible for obtaining any necessary State or local permit or license, including providing an appropriately licensed lead pyrotechnician, which may be required to perform the display.
- II. FIRING OF DISPLAY
 - a. Buyer is solely responsible for providing an appropriate location for the safe setup and discharge of display fireworks. Seller may, at Buyer’s request, aid in determining whether a proposed display site is appropriate for the items and dimensions selected by Buyer, but Buyer remains solely responsible for the selection and appropriate use of firework materials at its display.
 - b. Buyer is solely responsible for providing the appropriate personnel and for the setup, operation, performance, and teardown of the fireworks display in accordance with all applicable Federal, State, and local laws and regulations and NFPA 1123. Buyer agrees to comply with all local, state, and federal regulations and guidelines pertaining to the storing and displaying of fireworks.
 - c. Unless otherwise provided for in the Fireworks Program, Buyer is solely responsible for providing appropriate equipment to lawfully and safely perform the fireworks display.

- d. Buyer is solely responsible for providing appropriate, lawful, storage of the firework display materials before, during, and after the display. Buyer may, subject to Seller's agreement, make arrangements with Seller for the return of any unfired explosive materials after the display, but Buyer remains responsible for the appropriate storage of those materials until Seller agrees to take possession.

III. PAYMENT. The Buyer shall pay to the Seller (check one of the below options):

- The sum of \$_____ as a down payment upon execution of this Agreement. The balance of \$_____ shall be due and payable within fifteen (15) days after the date of the fireworks shipment. A service charge of one and one-half percent (1 ½ %) per month shall be added to the unpaid balance if the account is not paid in full with the fifteen (15) days from the date of the display. If this account remains unpaid and is turned over to a collection agency for non-payment, all fees incurred in collecting the balance will be at the Buyer's expense. All returned checks will be assessed a \$30.00 fee.
- \$25000 _____ in full by April 15 (70 days prior to the shipment date). The Buyer will receive 8% prepayment bonus product in this fireworks display.
- \$ _____ in full by _____ (30 days prior to the shipment date). The Buyer will receive 5% prepayment bonus product in this fireworks display.

IV. LOYALTY PROGRAM

- a. Seller has in place a bonus system for Buyer's who purchase their fireworks displays exclusively from Seller year-to-year. The full terms of Seller's loyalty program have been provided to Buyer with the Program and are available on J&M's website.
- b. Pursuant to Buyer's status in the loyalty program, Buyer will receive an additional 5% 10% 15% (check one) bonus product for this display.

V. POSTPONEMENT/RESCHEDULING

- a. Buyer is solely responsible for any decisions regarding postponement or cancellation of the fireworks display. If Buyer believes it is unable to appropriately store the display fireworks due to a postponement, Buyer should notify Seller at the soonest opportunity to determine if alternative storage can be arranged. Seller is under no obligation to provide storage to Buyer in the event of a postponement or cancellation, but agrees to work with Buyer to help ensure appropriate storage.

VI. INSURANCE and LIMITATIONS OF LIABILITY

- a. Buyer agrees to provide, at its expense, general liability insurance coverage in an amount not less than \$1,000,000.00, and within two (2) weeks prior to the date of the fireworks shipment, shall submit to Seller a certificate of insurance identifying Seller as an additional insured.
- b. Buyer agrees to provide, at its expense, any workers compensation insurance required in Buyer's State or locale. At no time will Buyer, or Buyer's employees, owners, volunteers, or personnel be considered employees of Seller.
- c. The Buyer agrees to defend, indemnify, and hold harmless the Seller and its agents and employees from and against all claims, costs, judgments, damages and expenses, including reasonable attorney's fees that may or shall arise out of any claim for injury or damage related to the fireworks display performed by the Buyer. The Buyer agrees to give the Seller prompt notice of any claims or demands.
- d. Separate from, and in addition to Buyer's insurance of the fireworks event, Seller agrees to maintain, at its expense, a general liability policy sufficient to meet or exceed municipality or industry standards and all applicable requirements of local, state, and federal law and which shall be applicable to any claims of negligent or wrongful act or omission by the Seller.
- e. Buyer agrees that with respect to any losses covered by, or required to be covered by, insurance under the terms of this Agreement, other than those losses caused by the Seller's gross negligence or intentional acts,

Buyer hereby waives and releases Seller, its officers, directors, employees and agents, from any and all claims and liability or responsibility with respect to such losses. Buyer further agrees that its insurance companies shall have no right of subrogation against Seller on account of this release.

f. In no event shall Seller’s liability to Buyer arising out of or related to this Agreement, whether arising out of or related to breach of contract, tort (including negligence), or otherwise, exceed the aggregate amount of insurance coverage as described in this section. Notwithstanding any provisions to the contrary, in no event shall either Party be liable to the other, or to any third party, for any loss of use, revenue or profit, or for any consequential, incidental, indirect, exemplary, special, or punitive damages whether arising out of breach of contract, tort (including negligence), or otherwise, regardless of whether such damage was foreseeable and whether or not such party has been advised of the possibility of such damages.

VII. Each Party has read all of the provisions of this Agreement, they understand all of its provisions, and agree to be bound by them. This written contract, and its Exhibits, contains the entire agreement of the Parties and modifies and supersedes all prior agreements or negotiations, all of which are merged into and incorporated into this Agreement. If any provision of this Agreement is held invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions of this agreement.

VIII. Choice of Law, Jurisdiction, and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Iowa without regard to conflict-of-law principles, except as otherwise specifically required for the storing and displaying of fireworks as set forth by State and Federal law. Notwithstanding, the Parties must bring any legal or equitable action or proceeding arising under or related to this Agreement exclusively in the Iowa District Court in and for Des Moines County, Iowa. The Iowa District Court in and for Des Moines County, Iowa shall have exclusive jurisdiction to decide any disputes arising out of or related to this Agreement. Each party knowingly and voluntarily consents to and expressly waives any objection or defense to personal jurisdiction, improper or inconvenient venue, or inconvenient forum in the Iowa District Court in and for Des Moines County, Iowa.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement the day and year first written above.

SELLER
BY: _____
ROLE: _____
J&M Displays, Inc.

BUYER
BY: _____
ROLE: _____
ENTITY: _____

City of Moberly City Council Agenda Summary

Agenda Number: _____ WS #8.

Department: Administration

Date: February 6, 2023

Agenda Item: An Ordinance Adopting Article III To Chapter 20 Of The City Code Providing For No Smoking Of Marijuana In A Public Place Or Meeting.

Summary: The new constitutional amendment for recreational marijuana allows cities to regulate the time and place where marijuana may be smoked. The ordinance was discussed during work session on January 17 and suggestions from staff and council have been incorporated into this second draft to include no use in parks, streets and sidewalks. Other minor changes were also included. If this draft meets with council's approval it will be brought back at the February 21 meeting for passage.

Recommended Action: To discuss the parameters of an ordinance regulating smoking marijuana and to bring an ordinance to the council for passage thereafter.

Fund Name: N/A

Account Number: N/A

Available Budget \$: N/A

ATTACHMENTS:		Roll Call	Aye	Nay
<input type="checkbox"/> Memo	<input type="checkbox"/> Council Minutes	Mayor		
<input type="checkbox"/> Staff Report	<input checked="" type="checkbox"/> Proposed Ordinance	M___ S___ Jeffrey	___	___
<input type="checkbox"/> Correspondence	<input type="checkbox"/> Proposed Resolution	Council Member		
<input type="checkbox"/> Bid Tabulation	<input type="checkbox"/> Attorney's Report	M___ S___ Brubaker	___	___
<input type="checkbox"/> P/C Recommendation	<input type="checkbox"/> Petition	M___ S___ Kimmons	___	___
<input type="checkbox"/> P/C Minutes	<input type="checkbox"/> Contract	M___ S___ Kyser	___	___
<input type="checkbox"/> Application	<input type="checkbox"/> Budget Amendment	M___ S___ Lucas	___	___
<input type="checkbox"/> Citizen	<input type="checkbox"/> Legal Notice		___	___
<input type="checkbox"/> Consultant Report	<input type="checkbox"/> Other _____		Passed	Failed

BILL NO: _____

ORDINANCE NO: _____

AN ORDINANCE ADOPTING ARTICLE III TO CHAPTER 20 OF THE CITY CODE PROVIDING FOR NO SMOKING OF MARIJUANA IN A PUBLIC PLACE OR MEETING.

Whereas, on November 8, 2022, Missouri voters passed Amendment 3 which amended the state constitution to provide for the use of recreational marijuana; and

Whereas, Article XIV, Section 2.5(6) of the state constitution now provides that local political subdivisions may enact ordinances not in conflict with the constitution governing the time and place where marijuana may be consumed, used or smoked in public areas within the locality; and

Whereas, the Moberly City Council has determined that smoking marijuana in public places should be regulated to safeguard citizens who do not wish to be exposed to marijuana smoke; and

Whereas, the Moberly City Council hereby adopts this ordinance to prohibit smoking marijuana in public places or meetings.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOBERLY, MISSOURI TO WIT:

SECTION ONE: Chapter 20 of the City Code is hereby amended by the adoption of Article III to prohibit smoking marijuana in public places and meetings as follows:

Chapter 20 – HEALTH AND SOCIAL SERVICES

ARTICLE III. – NO MARIJUANA SMOKING IN PUBLIC

Sec. 20-40. – Definitions. As used in sections 20-40 to 20-44, the following terms mean:

(1) “*Marijuana*” means *Cannabis indica*, *Cannabis sativa*, and *Cannabis ruderalis*, hybrids of such species, and any other strains commonly understood within the scientific community to constitute marijuana, as well as resin extracted from the marijuana plant and marijuana-infused products,

(2) “*Other person in charge*”, the agent of the proprietor authorized to give administrative directions to and general supervision of the activities within the public place, work place or public meeting at any given time;

(3) “*Proprietor*”, the party who ultimately controls, governs or directs the activities within the public place, work place or public meeting, regardless of whether he is the owner or lessor of such place or site. The term does not mean the owner of the property unless he ultimately controls, governs or directs the activities within the public place or public meeting. The term “proprietor” shall apply to a corporation as well as an individual;

(4) *“Public meeting”*, a gathering in person of members of a governmental body, whether an open or closed session, as defined in chapter 610;

(5) *“Public place”*, any area used by the general public or serving as a place of work including, but not limited to:

(a) Any retail or commercial establishments.

(b) Health care facilities, health clinics or ambulatory care facilities including, but not limited to, laboratories associated with health care treatment, hospitals, nursing homes, physicians’ offices and dentists’ offices;

(c) Any vehicle used for public transportation including, but not limited to, buses, taxicabs and limousines for hire;

(d) Rest rooms;

(e) Elevators;

(f) Libraries, educational facilities, day care facilities, museums, auditoriums and art galleries;

(g) All public areas and waiting rooms of public transportation facilities including, but not limited to, bus and airport facilities.

(h) Any enclosed place used for entertainment or recreation including, but not limited to, gymnasiums, theater lobbies, concert halls, arenas and swimming pools;

(i) Any other enclosed indoor areas used by the general public including, but not limited to, corridors and shopping malls;

(j) any public park, public street, avenue or alley, any sidewalk or street crossing.

(6) *“Smoking”*, possession of burning marijuana in any form or other smoking equipment.

Sec. 20-41 – Persons not to smoke in public places or meetings. A person shall not consume, use or smoke marijuana in a public place or in a public meeting.

Sec. 20-42 – Areas not considered public places. The following areas are not considered a public place:

(1) An entire room or hall which is used for private social functions, provided that the seating arrangements are under the control of the sponsor of the function and not of the proprietor or other person in charge;

(2) Performers on the stage, provided that the smoking of marijuana is part of the production; and

(3) Private residences; and

(4) Any area licensed by the Missouri Department of Health and Senior Services (“DHSS”) for the use of medical marijuana, including owners or entities in control of a public place which under DHSS rules choose to make a non-public place available where qualifying medical marijuana patients may consume medical marijuana. Such non-public place must meet all requirements of DHSS for an enclosed private place.

Sec. 20-43 – Person in control of public places or public meetings, duties. The person having custody or control of a public place or public meeting shall:

(1) Make reasonable efforts to prevent smoking in the public place or public meeting by posting appropriate signs indicating no marijuana smoking. These signs shall be placed at a height and location easily seen by a person entering the public place or public meeting and not obscured in any way;

(2) Make a reasonable request of persons smoking to leave the public place or public meeting.

Sec. 20-44 – Violators. The following persons shall be guilty of a violation of this Article:

(1) A person who smokes marijuana in those areas where smoking is prohibited pursuant to the provisions of sections 40-20 to 40-43;

(2) A proprietor or other person in charge of a public place or public meeting who permits, causes, suffers or allows a person to smoke marijuana in those areas where smoking is prohibited pursuant to sections 40-20 to 40-43;

(3) Persons found guilty of violating this Article shall pay a civil penalty not exceeding \$100.00.

SECTION TWO: This Ordinance shall take effect immediately upon passage by the Moberly City Council.

PASSED AND ADOPTED by the Council of the City of Moberly, Missouri, this 20th day of February, 2023.

Presiding Officer at Meeting

ATTEST:

Shannon Hance, City Clerk

City of Moberly City Council Agenda Summary

Agenda Number: _____

WS #9.

Department: Community Development
Date: February 6, 2023

Agenda Item: A Resolution Accepting A Quit Claim Deed From Marian E. Cumberlander For Real Estate Located At 1204 Quinn Street.

Summary: Marian E. Cumberlander contacted our former Building Inspector about the property located at 1204 Quinn St. after receiving a letter about the condition of the property. She told the inspector she would give the property to the City per a phone conversation with her. She contacted the abstract company to have an O&E Report done and to have the Quit Claim Deed drawn up and she paid for all of this.

Recommended Action: Bring this forward to February 21, 2023, regular City Council meeting for final approval

Fund Name: N/A

Account Number: N/A

Available Budget \$: N/A

ATTACHMENTS:		Roll Call	Aye	Nay
<input type="checkbox"/> Memo	<input type="checkbox"/> Council Minutes	Mayor		
<input type="checkbox"/> Staff Report	<input type="checkbox"/> Proposed Ordinance	M__ S__ Jeffrey	___	___
<input type="checkbox"/> Correspondence	<input type="checkbox"/> Proposed Resolution			
<input type="checkbox"/> Bid Tabulation	<input type="checkbox"/> Attorney's Report	Council Member		
<input type="checkbox"/> P/C Recommendation	<input type="checkbox"/> Petition	M__ S__ Brubaker	___	___
<input type="checkbox"/> P/C Minutes	<input type="checkbox"/> Contract	M__ S__ Kimmons	___	___
<input type="checkbox"/> Application	<input type="checkbox"/> Budget Amendment	M__ S__ Kyser	___	___
<input type="checkbox"/> Citizen	<input type="checkbox"/> Legal Notice	M__ S__ Lucas	___	___
<input type="checkbox"/> Consultant Report	<input checked="" type="checkbox"/> Other _____		Passed	Failed

City of

March 11, 2021

101 West Reed Street Moberly, Missouri 65270-1551

Phone: (660) 269-8705

Fax: (660) 269-8171

Marian Cumberlander & Nathan Fleming
19903 Dunbrooke Ave.
Caron, CA 90746

RE: 1204 Quinn St, Moberly, Missouri

To whom it may concern,

According to our records, you are the person(s) in charge of the properties located in the Barrow's Addition of Moberly, Lot 2, Block 22 or more commonly known as 1204 Quinn St, Moberly, Missouri.

Due to complaints and the continual deterioration of the premises, a visual inspection of the building was conducted on March 8, 2021 by our department. We found the structure to be in violation of numerous local property maintenance and building codes for the following items:

1. The front doors are open allowing access to structure to children and animals.
2. Window, doors and siding is deteriorating with holes exposed to exterior weather.
3. The soffit, fascia is deteriorated or missing.
4. Chipping and peeling paint exists.
5. Flooring and ceiling is collapsing.
6. The electrical system and meter base is sub-standard
7. Foundation is failing to carry structure loads.
8. The yard has nuisance debris and structure is covered with nuisance vegetation.
9. This structure, due to listed violations and current conditions is not fit for human habitation.

The condition of the building constitutes it as a building violation as defined by City Ordinance, Section 10-60. Notice to interested parties. Effective immediately, all of the listed structures are hereby **condemned and declared a public nuisance** to the health, safety and welfare of the residents of the City of Moberly. This notice provides that the commencement of reconditioning as listed, or removal of the structures shall begin within a reasonable period of time, but in no case less than thirty (30) days from the date of this letter.

Failure to commence with the work of reconditioning or demolition within the time specified and provided for by this ordinance, or upon failure to proceed continuously with the work without

unnecessary delay, will eventually initiate a public hearing to determine the future status of this structure.

In any case where a building or structure is declared by the Director of Community Development to be a nuisance, any interested person as set out in Section 4-A, may appeal from the determination of the Director of Community Development to the Circuit Court of Randolph County, Missouri. All such appeals shall be filed in the Circuit Court within twenty (20) days from the date of the order of the Director of Community Development appealed from.

I would encourage you to contact this office at your earliest convenience at (660) 269-8705, ext. 2041 to schedule a time to discuss the future status of this structure.

Sincerely,



Rick Ridgway
Code Enforcement Office

TOWN & COUNTRY ABSTRACT CO., INC.

541 West Coates Suite 101 P.O. Box 177

Moberly, Missouri 65270

Phone 660-263-0425 Fax 660-263-1226

Email Brad@townandcountryabstract.com

Date : November 30, 2022

Dear Marian

As you requested, we searched the records of Randolph County, Missouri, pertaining to: Lot Two (2), Block Twenty-two (22) Barrow's Addition to Moberly, Missouri. Our search covered the period August 29, 2006, through November 30, 2022, and disclosed the following:

TITLE: Title was vested in Marian E. Cumberlander and Nathan Fleming, as joint tenants with the right of survivorship and not as tenants in common by Trustees' Deed Under Sale recorded August 29, 2006 in Book 647 Page 538.

MORTGAGES: None.

MECHANICS' LIENS: None of record.

JUDGMENTS: None of Record against Marian E. Cumberlander and Nathan Fleming

TAX LIENS: None of record against, Marian E. Cumberlander and Nathan Fleming

REQUESTS FOR NOTICE OF SALE: None of record.

TAXES: Taxes were paid for the year 2022 and prior.

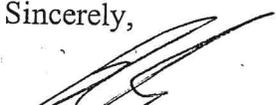
Tax Parcel I.D. 07-7.0-35.0-3.0-002-060.000.

2022 County and City Taxes were paid in the amount of \$27.35.

SPECIAL ASSESSMENTS: None.

Liability for this Ownership & Encumbrance Report is limited to the price paid the Company for this Report and that maximum liability is limited to the customer who placed the order with us.

Sincerely,


Brad Goessling

QUIT CLAIM DEED

THIS INDENTURE, Made on the 12 day of December, 2022, by and between

Marian E. Cumberlander, a single person
of the County of Randolph, and State of Missouri, parties of the First part, Grantor, and

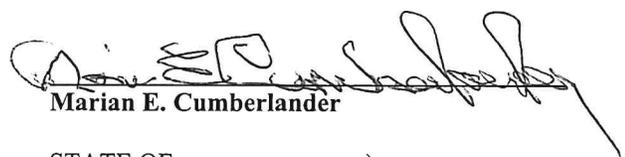
City of Moberly
of the County of Randolph, in the State of Missouri, party of the Second part, Grantees,

(mailing address of said first named grantee is _____).

WITNESSETH, That the parties of the First part in consideration of the sum of TEN DOLLARS AND OTHER VALUABLE CONSIDERATION to them paid by the said parties of the Second Part, the receipt of which is hereby acknowledged, do by these presents, Remise, Release and forever Quit-Claim, unto said parties of the Second Part, the following described Lots, Tracts, or Parcels of land, lying being and situate in the County of Randolph, and State of Missouri, to-wit:

Lot Two (2), Block Twenty-two (22) Barrow's Addition to Moberly, Missouri.

TO HAVE AND TO HOLD the same, with all the rights, immunities, privileges and appurtenances thereto belonging, unto the said parties of the second part and their heirs and assigns, Forever, so that neither the said parties of the first part nor their heirs or any person or persons for them or in their name or behalf, shall or will hereafter claim or demand any right or title to the aforesaid premises or any part thereof, but they and every one of them, shall, by these presents, be excluded and forever barred. IN WITNESS WHEREOF, the said parties of the First Part have Hereunto set their hands the day and year first above written.


Marian E. Cumberlander

12-12-2022

STATE OF _____)ss.
COUNTY OF _____)

On this _____ day of _____, 2022, before me personally appeared **Marian E. Cumberlander, a single person**, to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same for the purposes therein stated.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at my office in Moberly, Missouri, the day and year first above written

**SEE LOOSE
CERTIFICATE
ATTACHED**

NOTARY PUBLIC

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

County of Los Angeles }

On 12/12/2022 before me, Julio C. Bahena, Notary Public
(Here insert name and title of the officer)

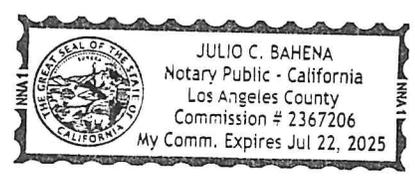
personally appeared Marian E. Cumberland,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Signature]
Notary Public Signature

(Notary Public Seal)



ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

Quit Claim
(Title or description of attached document)

Deed
(Title or description of attached document continued)

Number of Pages 1 Document Date 12/12/2022

CAPACITY CLAIMED BY THE SIGNER

Individual (s)
 Corporate Officer

(Title)

Partner(s)
 Attorney-in-Fact
 Trustee(s)
 Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/~~they~~, is /are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).

BILL NO. _____

RESOLUTION NO. _____

A RESOLUTION ACCEPTING A QUIT CLAIM DEED FROM MARIAN E. CUMBERLANDER FOR REAL ESTATE LOCATED AT 1204 QUINN STREET.

WHEREAS, Marian E. Cumberland owns property legally described as Lot 2 of Block Twenty-two of Barrow's Addition to the City of Moberly which is described on the attached Quit-Claim Deed; and

WHEREAS, Ms. Cumberlander desires to convey said property to the City of Moberly without consideration to aid in furthering economic development in the city; and

WHEREAS, attached hereto is an executed Quit Claim Deed conveying the property to the city.

NOW, THEREFORE, the Moberly, Missouri, City Council authorizes the City Manager to accept the attached Quit Claim Deed from Ms. Cumberlander to Moberly on behalf of the city and to record the same in the land records of Randolph County.

RESOLVED this 21st day of February, 2023, by the Council of the City of Moberly, Missouri.

 Presiding Officer at Meeting

ATTEST:

 Shannon Hance, MRCC, City Clerk

City of Moberly City Council Agenda Summary

Agenda Number: WS #10.

Department: City Manager

Date: February 6, 2023

Agenda Item: Appointment to the Historic Preservation Commission

Summary: In February 2023 the terms of JW Balling and Sara Fleming will expire on the Historic Preservation Commission board. JW Ballinger has submitted application stating he would be willing be reappointed to the board. Sara Fleming has submitted a letter stating that she does not wish to be reappointed to the board. Advertisement was done, and three applications were received. One from April Moran, Melissa Weggs, and Anne Jansen. Also in September 2022 Lee Seekins resigned from the board her position will need to be filled on the board as well.

Recommended Action: Direct staff to bring to the February 21st Council meeting for approving of three individuals to the commission.

Fund Name: N/a

Account Number: N/A

Available Budget \$: \$0

ATTACHMENTS:		Role Call	Aye	Nay
<input type="checkbox"/> Memo	<input type="checkbox"/> Council Minutes	Mayor		
<input type="checkbox"/> Staff Report	<input type="checkbox"/> Proposed Ordinance	M___ S___ Jeffrey	___	___
<input checked="" type="checkbox"/> Correspondence	<input type="checkbox"/> Proposed Resolution	Council Member		
<input type="checkbox"/> Bid Tabulation	<input type="checkbox"/> Attorney's Report	M___ S___ Brubaker	___	___
<input type="checkbox"/> P/C Recommendation	<input type="checkbox"/> Petition	M___ S___ Kimmons	___	___
<input type="checkbox"/> P/C Minutes	<input type="checkbox"/> Contract	M___ S___ Kyser	___	___
<input type="checkbox"/> Application	<input type="checkbox"/> Budget Amendment	M___ S___ Lucas	___	___
<input type="checkbox"/> Citizen	<input type="checkbox"/> Legal Notice		Passed	Failed
<input type="checkbox"/> Consultant Report	<input type="checkbox"/> Other _____			

September 8, 2022

To Whom it May Concern:

Due to an upcoming move out of state I must resign my position with the Historic Preservation Committee effective at the end of September 2022. It has been my pleasure to serve and I am thankful for the opportunity.

Sincerely,



Lee B. Seekins

City of



Board/Commission Application Form

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This application is a public document and as such it or the information it contains may be reproduced and distributed. This application will remain active for two years and you will automatically be considered for any vacancy occurring during that time.

Name of Board or Commission: Moberly Historic Preservation Commission Date: November 30, 2022
Your Name: John W. (J. W.) Ballinger, III Street Address: 1212 Timberline Road
Phone number(s): (evening) 660--651-2461 (day) 660-651-2461
Email: jwb123@charter.net

Do you live within the corporate limits of City of Moberly? Yes / No
How long have you been a resident of City of Moberly? 77 years
Occupation: Retired Employer: N/A

Optional Questions (use back of application if necessary)

What experience and/or skills do you have that might especially qualify you to serve on this board or commission?

Randolph County Historical Society: Since 1979; as an officer and board member. Currently, board member in charge of major projects.

Moberly Parks and Recreation: Served as board member and past president.

Moberly Friends of the Park: Served since inception as board member or officer. Currently, Treasurer and Corporate Trustee.

Moberly Public Schools Foundation: Served as board member and officer when group was formed.

What particular contributions do you feel you can make to this board or commission?

Having lived in Moberly for 77 years I have seen many changes in all aspects of town life. I feel it is important to preserve and interpret Moberly's history

for the benefit of all. I have been involved in a number of projects to preserve and to improve on community recreation, bussiness development and tourism

As a duty as Executive Director of the Chamber of Commerce, I spent 15 1/2 years as board member to Moberly Economic Development Corp.

I will attend meetings in accordance with the adopted policies of City of Moberly, Missouri. If at any time my business or professional interests conflict with the interests of the Commission, I will not participate in such deliberations. References may be secured from the following individuals:

- 1. Carolee Hazlet Phone: 660-263-3345
2. Joan Snodgrass Phone: 660-998-4124
3. Pastor Joel Lynn Phone: 660-833-3520

J.W. Ballinger Signature of Applicant

*Additional Information may be attached to this form.

Return to: City of Moberly, 101 West Reed Street, Moberly, MO 65270

Shirley Olney

From: Sara Fleming <sa Fleming@att.net>
Sent: Friday, December 30, 2022 9:24 AM
To: Shirley Olney
Subject: Re: Historic Preservation Commission

Shirley,

I have appreciated the opportunity to serve on The Historic Preservation Commission. At this time, I would like to relinquish my seat on the Board and give others the opportunity to serve in historic preservation. I have enjoyed learning more about the importance of historic preservation in maintaining Moberly's legacy. It has been a privilege to be part of this Commission and I wish you all the best.

Sincerely,
Sara

On Thursday, December 29, 2022 at 10:45:35 AM CST, Shirley Olney <shirleyo@cityofmoberly.com> wrote:

Sara

Your term is up on the historic preservation commission in February. If you would like to be reappointed to the board would you please fill out the attached form. If you do not wish to be reappointed can you please send me an email stating that.

Shirley Olney

660-269-7662

City of

WS #10.

Moberly!

Board/Commission Application Form

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Name of Board or Commission: Historic Preservation Board Date: 1-31-23
Your Name: Melissa Anderson Street Address: 1220 N Marley St
Phone number(s): (evening) 573-999-9603 (day) _____
Email: Anderson3ms@yahoo.com

Do you live within the corporate limits of City of Moberly? Yes No
How long have you been a resident of City of Moberly? 43 years
Occupation: Entrepreneur Employer: Self

Optional Questions (use back of application if necessary)

What experience and/or skills do you have that might especially qualify you to serve on this board or commission?

What particular contributions do you feel you can make to this board or commission?

My time, energy + abilities

I will attend meetings in accordance with the adopted policies of City of Moberly, Missouri. If at any time my business or professional interests conflict with the interests of the Commission, I will not participate in such deliberations. References may be secured from the following individuals:

1. Debbie Wigg Phone: 660-998-0274
2. Jack Franklin Phone: 660-651-2638
3. Ernie Anderson Phone: 660-414-5959

Melissa Anderson
Signature of Applicant

*Additional Information may be attached to this form.

Return to: City of Moberly, 101 West Reed Street, Moberly, MO 65270



Board/Commission Application Form

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This application is a public document and as such it or the information it contains may be reproduced and distributed. This application will remain active for two years and you will automatically be considered for any vacancy occurring during that time.

Name of Board or Commission: Historic Preservation Date: 5-8-2022
 Your Name: April Moran Street Address: 423 S Williams
 Phone number(s): (evening) 816-456-4306 (day) 816-~~456~~456-4306
 Email: apriljmoran@gmail.com

Do you live within the corporate limits of City of Moberly? Yes No
 How long have you been a resident of City of Moberly? 9 months
 Occupation: Home Restoration/Investor Employer: Self employed.

Optional Questions (use back of application if necessary)

What experience and/or skills do you have that might especially qualify you to serve on this board or commission?

I renovate and restore homes, my passion is homes 100 years+
I have developed an understanding of how to accurately
honor the history of a building while using new technologies
to preserve and restore them.

What particular contributions do you feel you can make to this board or commission?

I believe a city cannot grow and stabilize without
honoring the history and foundations it was built on.
I bring a balance of preserving original design with new use.

I will attend meetings in accordance with the adopted policies of City of Moberly, Missouri. If at any time my business or professional interests conflict with the interests of the Commission, I will not participate in such deliberations. References may be secured from the following individuals:

1. Kelly Beiforth (Monte) Phone: 314-688-2030
2. Alicia Hommen Phone: 816-682-1063
3. Susan Canupp Phone: 816-726-7752


 Signature of Applicant

*Additional Information may be attached to this form.

Return to: City of Moberly, 101 West Reed Street, M 429, MO 65270

What particular contributions do you feel you can make to this board or commission?

I feel that my 30 years of stewardship both in living and rehabbing my own historic homes defines the particular type of individual that I am. Preservation of a city's historic buildings and residences are what defines the community and brings a sense of identity to those towns. Protecting and managing the future of such structures contributes to the overall "transmission" of the past to the future. I am an old soul and have always had a love of historic homes and buildings. I also feel that folks like myself understand the importance of being a "voice" for these pieces of the past and without such voices, a community's essence will be lost. And for these reasons, I feel this mindset, combined with my experience with historic homes would be valuable to any preservation board. The bonus is that I am an artist with skills and knowledge in architectural styles, rehabbing, resources for historic homes, and general preservation arenas. In my professional career, I'm versed in marketing, administrative duties, graphic design, and planning/organizing events.

What experience and/or skills do you have that might especially qualify you to serve on this board or commission?

As mentioned in my answer above, I bring several decades of stewardship from personally owning 4 historic homes in 4 different communities and states. The Valentine Riegel home I purchased last fall (2021) here in Moberly is my fifth and I'm thrilled and proud to be able to steward this home as well. I hope to bring more recognition to the home and to share how valuable homes like these are to a community.

My first home was a 1908 bungalow in Midtown in the City of St. Charles over 30 years ago. I served on the Midtown Community Association where we had meetings to determine back then whether things like a CLG was the right decision for our community. We promoted historic preservation and we spoke at City Council meetings regarding properties in the city. We also developed and marketed a quarterly newsletter and organized events that further created "buzz" and more community awareness to the importance of historic preservation.

Over the years, and most recent during my residency in Quincy, Illinois, I spoke in front of the City Council in regard to the saving of one of Quincy's few representations of an Italianate home in that City. I spoke in opposition (and as a resident) to the big attorneys that were representing the media group who was simply wanting to demolish the home. It was a sad day that the community did NOT stand up in unity to save that home and it met the wrecking ball. I made efforts personally to work with their "Preservation Group" which fell on deaf ears and they simply had no clue "how to help". I was floored that a historic community like Quincy lacked the support of its residents when this happened. After the fact, I spoke with folks around town that admitted they didn't know a thing about the home and/or that it was even in danger of being torn down. This showed the lack of communication and support of the community to its own historic homes and buildings. I don't want to see this happen again!

As this is my fifth home, it is my last rehab and I want to be a part of the board here in Moberly so that I can not only be a valuable voice to my own home, but to all of the structures that collectively represent what Moberly is all about – its past, its present and hopefully to preserve its future.

Thank you for your consideration of my application.



Board/Commission Application Form

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This application is a public document and as such it or the information it contains may be reproduced and distributed. This application will remain active for two years and you will automatically be considered for any vacancy occurring during that time.

Name of Board or Commission: HISTORIC PRESERVATION Date: JUNE 30, 2022

Your Name: ANNE JANSEN Street Address: 817 S. CLARK STREET

Phone number(s): (evening) 314-520-8388 (day) SAME

Email: ANNE@THEKEYOFA.COM

Do you live within the corporate limits of City of Moberly? Yes / No

How long have you been a resident of City of Moberly? 11 MONTHS

Occupation: SELF - EMPLOYED - OWNER/ARTIST Employer: KEY OF A, LLC

Optional Questions (use back of application if necessary)

What experience and/or skills do you have that might especially qualify you to serve on this board or commission?

SEE ATTACHED PAGE

What particular contributions do you feel you can make to this board or commission?

SEE ATTACHED PAGE

I will attend meetings in accordance with the adopted policies of City of Moberly, Missouri. If at any time my business or professional interests conflict with the interests of the Commission, I will not participate in such deliberations. References may be secured from the following individuals:

- 1. NONE REALLY! Phone:
2. IF THE 4 HISTORIC HOMES I'VE OWNED COULD TALK Phone:
3. TGEY WOULD GIVE ME STELLAR REFERENCES I'M SURE! Phone:

Signature of Applicant: Anne Jansen, dated JUNE 30, 2022

*Additional Information may be attached to this form.

Return to: City of Moberly, 101 West Reed Street, Moberly, MO 65270

City of Moberly City Council Agenda Summary

Agenda Number: _____
 Department: Comm. Dev.
 Date: February 6, 2023

WS #11.

Agenda Item: An application for re-zoning submitted by Devin Snodgrass on behalf of Kal Cleavinger for the property located at 201 W Hinton Ave and the lots to the north. They are requesting these be zoned N-1/PD (Nonurban/Planned Development District). These locations are currently zoned R-3 (Multi-Family Dwelling District).

Summary: The proposed site is located at 201 W Hinton Ave. The property is surrounded on two sides by R-3 (multi-family dwelling district), to the south by MP (Mobile Park) and to the north B-3 (General Commercial District). Some of this property at one time had angus cattle on it.

The Planning & Zoning Commission recommended approval for the request of the rezoning.

Recommended Action: Direct staff to bring forward to the regular City Council meeting on February 21, 2023 for final approval.

Fund Name: N/A

Account Number: N/A

Available Budget \$: N/A

ATTACHMENTS:		Roll Call	Aye	Nay
<input type="checkbox"/> Memo	<input type="checkbox"/> Council Minutes	Mayor		
<input checked="" type="checkbox"/> Staff Report	<input type="checkbox"/> Proposed Ordinance	M___ S___ Jeffrey	___	___
<input type="checkbox"/> Correspondence	<input type="checkbox"/> Proposed Resolution	Council Member		
<input type="checkbox"/> Bid Tabulation	<input type="checkbox"/> Attorney's Report	M___ S___ Brubaker	___	___
<input type="checkbox"/> P/C Recommendation	<input type="checkbox"/> Petition	M___ S___ Kimmons	___	___
<input type="checkbox"/> P/C Minutes	<input type="checkbox"/> Contract	M___ S___ Kyser	___	___
<input type="checkbox"/> Application	<input type="checkbox"/> Budget Amendment	M___ S___ Lucas	___	___
<input type="checkbox"/> Citizen	<input type="checkbox"/> Legal Notice			
<input type="checkbox"/> Consultant Report	<input type="checkbox"/> Other _____		Passed	Failed

**CITY OF MOBERLY, MISSOURI
REZONING APPLICATION**

Return Form to:
Zoning Administrator
City of Moberly
101 West Reed Street
Moberly, MO 65270-1551
(660) 263-4420
(660) 263-9398 (fax)

For Office Use Only
Deposit: _____
Date Advertised: _____
Date Notices Sent: _____
Public Hearing Date: _____

APPLICANT INFORMATION:

Applicant: Devin Snodgrass, Outline & Associates Phone: 660.998.4288
Address: 110 N 5th Street, Moberly, Missouri Zip: 65270
Owner: Kal Cleavinger Phone: 660.349.7100
Address: 1 Holman Road, Moberly, Missouri Zip: 65270

PROPERTY INFORMATION:

Street Address or General Location of Property: 201 W Hinton Avenue
Property is Located In (Legal Description): "see attached Submittal Letter"

Present Zoning: R-3 Requested Zoning: N-1-PD Acreage: 6.11

Present Use of Property: Vacant Lot

Character of the Neighborhood: Residential

SURROUNDING LAND USE AND ZONING:

	<u>Land Use</u>	<u>Zoning</u>
North	<u>Vacant Lot</u>	<u>B-3 General Commercial District</u>
South	<u>Hinton Ave / Manufactured Home Park / Vacant Lot</u>	<u>M-P Manufactured Home Park / R-2 Two-Family</u>
East	<u>Single Family Residences</u>	<u>R-2 Two-Family District</u>
West	<u>Tedford St / Single Family / Vacant Lot</u>	<u>R-2 Two-Family District</u>

RELATIONSHIP TO EXISTING ZONING PATTERN:

1. Would the proposed change create a small, isolated district unrelated to surrounding districts?
 Yes No

If yes, explain: "see attached exhibit"

2. Are there substantial reasons why the property cannot be used in accordance with existing zoning?
 Yes No

If yes, explain: "see attached Submittal Letter"

CONFORMANCE WITH COMPREHENSIVE PLAN:

1. Is the proposed change consistent with the goals, objectives and policies set forth in the Comprehensive Plan?

Yes No

2. Is the proposed change consistent with the Future Land Use Map?

Yes No

TRAFFIC CONDITIONS:

1. Identify the street(s) with access to the property: West Hinton Avenue & Tedford Street

2. Identify the classification of those street(s) as Arterial, Collector or Local and each Right-of-Way width:

Street Name	Classification	Right-of-Way Width
<u>West Hinton Avenue,</u>	<u>Local Street,</u>	<u>40 ft ROW</u>
<u>Tedford Street,</u>	<u>Local Street,</u>	<u>30ft ROW</u>

3. Will turning movements caused by the proposed use create an undue traffic hazard?
 Yes No

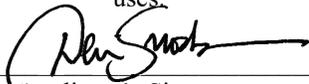
IS PLATTING OR REPLATTING REQUIRED TO PROVIDE FOR:

- 1. Appropriately Sized Lots? Yes _____ No
- 2. Properly Sized Street Right-of-Way? Yes _____ No
- 3. Drainage Easements? Yes _____ No
- 4. Utility Easements:
 - Electricity? Yes _____ No
 - Gas? Yes _____ No
 - Sewers? Yes _____ No
 - Water? Yes _____ No
- 5. Additional Comments: _____

UNIQUE CHARACTERISTICS OF PROPERTY AND ADDITIONAL COMMENTS:

THE FOLLOWING MUST ACCOMPANY YOUR APPLICATION:

- 1. One copy of a legal description of the property proposed to be rezoned.
- 2. One copy of a statement describing the impact of the proposed change, including any traffic conditions that may result; any danger from fire hazards; how the proposed change may affect the character of the surrounding properties; and how the proposed change will benefit the City of Moberly.
- 3. Certified list of property owners within:
 - A. 185 feet of the property if the proposed PD is located within the city's municipal boundaries;
 - B. 1,000 feet of the property if the proposed PD is adjacent to the city's corporate limits.
- 4. If the proposed zoning requires a special use permit, the rezoning application shall be accompanied by a special use permit application defining the specifically requested use or list of uses.


Applicant's Signature

12 / 29 / 2022

Date

City of *Moberly!*

Memorandum

To: *Planning and Zoning Commission*

From: *Planning Staff*

Subject: *Agenda item 1-3, Hinton Ave Planned Development*

Meeting: *January 30, 2023*

Public Hearing to consider:

Notice of a Public Hearing for an application submitted by Devin Snodgrass on behalf of Kal Cleavinger for a zoning change from an R-3 (Multi-family Dwelling District) to an N-1/PD (Nonurban/Planned District) for a proposed ~~Private~~ Commercial Stable facility on the property located at 201 W Hinton Ave.

Comments:

The proposed site is located at 201 W Hinton Ave. The proposed zoning change is in conjunction with a change of use for the property and a site plan submittal to follow if necessary. The current zoning of the property is R-3 (Multi-family Dwelling District). The future land use map for this property has it identified as R-3 (Multi-family Dwelling District). The applicant is proposing Planned Development with Zoning Change to an N-1/Planned Development.

The first item on the agenda is the zoning change to an N-1/Planned Development district. If this is approved, the following two items will need to be reviewed.

2. Preliminary Development Plan
3. Site Plan

As an N-1/Planned Development District, the base requirements for the district would require underlying criteria to align with the N-1 District regulations found in Chapter 46-3, 46-78, 46-87, and 46-118. N-1 Agricultural district regulations require a minimum of 5 acres. A commercial stable is not listed in the use table (46-118), however 46-78 states that *Permitted uses*. Generally, agricultural and rural residential uses are permitted on parcels greater than five acres. The definition of a commercial stable in Chapter 46-3 means any building for the keeping of horses, mules, or ponies for remuneration, hire, or sale. The other definitions of which may be applicable to the use of land in this application is Animal Care, General as defined in 46-3. Animal Care, General per chapter 46-118 is a conditional use in B-2, B-3 districts and permitted use in M-1 districts. It is not listed in the N-1 district.

City staff:

The requested zoning change does not align with the future land use plan. Historically, the intention and limitations on N-1 districts were to locate livestock and agricultural use of land to the outer edges of the city limits and to retain the use of land that is newly annexed into the city limits at that time. There are other restrictions within the code book (Chapter 8) that limit animals kept within the city limits. The developer has also requested the following

specific details with respect to the City Code of Ordinances as they have applied for a planned development:

1. They request to raise a specific number of horses and horses only on the property.
2. They request to only use the 6 acre tract for the horses.
3. They request to erect a commercial stable for business use on site.
4. They are requesting an exemption to the limitations of Chapter 8 on animals kept in city limits.

The granting of a planned development on the property would greatly restrict and detail the use of the property for the owner of the land. This includes if the land were sold or transferred to the new owner of the property. It will detail and limit the type of use and purpose of the land specifically as defined in the planned development plan. This is not restrictive to the current owner and is transferable with the sale of the land. The implementation of a planned development plan is more restrictive and detailed compared to a conditional use applied to the zoning change.

#2 Public Hearing to consider:

Notice of Public Hearing for an application submitted by Devin Snodgrass on behalf of Kal Cleavinger for a preliminary development plan for a Private Commercial Stable facility if item number 1 is approved.

#3 Public Hearing to consider:

Notice of Public Hearing for an application submitted by Devin Snodgrass on behalf of Kal Cleavinger for a site plan review for a Private Commercial Stable facility if item number 1 and 2 are approved.

Comments:

The proposed site is located at 201 W Hinton Ave. The proposed preliminary development plan is in conjunction with a change of zoning for the property and a site plan submittal to follow if necessary. The current zoning of the property is R-3 (Multi-family Dwelling District). The future land use map for this property has it identified as R-3 (Multi-family Dwelling District). The proposed Planned Development and Zoning Change to N-1/Planned Development requires a preliminary development plan submission.

The preliminary development plan has indicated the construction of a commercial stable for the keeping of up to 5 horses on property. This includes fencing (5ft tall and 3 rail style) around the perimeter of the property and internally to keep the horses within the 6 acre tract of land, the construction of a stable (2,304 sq ft) to house and care for the horses, and newly constructed paved drive entry on to the property with two points of egress. The building will be designed with stables and restroom facilities. Planned connection to Ameren UE utilities as well as City Utilities at this time. Perimeter fencing is currently planned to setback 20 ft from the property lines on all sides and remain behind the stable in the southwest corner of the property.

The following elements of a Commercial Preliminary Development Plan are being requested as part of the submission:

1. Exemption for installation of sidewalks as the sidewalks of the area are in disrepair.

2. Use of residential trash containers on site instead of commercial dumpster with screening.
3. Stormwater drainage to be directed to landscaped areas of the lot.

Proposed Use and Operations: Owner intends to Construct and Occupy a Commercial Stable Facility as defined in Moberly Code of Ordinances.

Facility will not consist of any permanent residence or provide lodging of any kind.

Facility to be maintained and operated daily for Business by Cavalier Holding Company, LLC

Business intends to offer Services that may include but not limited to Rental/Leasing, Boarding, Training, Grooming, and Riding Lessons.

Facility to have over 5 Acres Total of Fenced Pasture Harboring up to Five Horses on site.

City Staff:

Upon review the preliminary development plan meets the requirements for submission pending the items listed above for which they are asking for exemption. As a commercial business location, the sidewalks, dumpster, and the requirements need to be reviewed. Installation of sidewalks will be an improvement to the area as well as having adequate dumpster facilities.

N-1 Rezoning/Planned Development and Preliminary Development Plan shall both require approval through City Council at the next available meeting.

Respectfully Submitted
Aaron Decker

201 West Hinton Ave Project

Moberly, Randolph County, Missouri
December 2022

Site Information:

Property Address: 201 West Hinton Ave
Moberly, Randolph County, Missouri

Property Owner:

Kal Clearinger
1 Holman Road
Moberly, Missouri 65270

Code in Effect:

IBC 2021, City of Moberly

Zoning:

Current: R-3, Multifamily Dwelling District
Proposed Change: N-1-PD, Nonurban Planned Development District

Lot Area:

Current = 6.11 Acres (447,78 x 595ft)

Setbacks:

Front Yard: R-3: 25 feet N-1: 30 feet
Side Yard: R-3: 57 feet 18ft N-1: 10% of Lot Width
Rear Yard: R-3: 25ft/20% Depth N-1: 30 feet

Lot Area Regulations:

R-3: Single Family = 6,000 sq ft
Multi-Family = 10,000 sq ft
N-1: Five Acres (217,800 sq ft)

Minimum Lot Width:

R-3: Single Family = 60 feet 75 feet Corner Lots
Two-Family = 60 feet 80 feet Corner Lots
Multi-Family = 75 feet 80 feet Corner Lots
N-1: 70 feet for Residential Uses, 90 feet for Non-Residential Uses

Height Regulations:

R-3: 35 feet N-1: 35 feet

Proposed Building:

±2,304 sq ft, Single Story Building
Silo-encore, Wood Framed
Type 3B, Non-Sprinklered

Proposed Use & Occupancy:

Commercial - Utility & Miscellaneous Group U (Stables)

Allowable Bldg Heights & Acre:

1 Story (40 feet) 5,500 sq ft Floor Area

Design Loading:

1 Occupant / 300 sq ft = 8 Occupants

Exit Required:

1 Exit Required (<50 Ours, <75ft Travel Distance)

Plumbing Facilities:

Commercial Required:
WCS = (1) Required / (1) Proposed
LWS = (1) Required / (1) Proposed
(1) Drinking Fountain,
(1) Drinking Water
or Water Dispenser/Bottled Water

Lot Area Calculations:	Total Lot Area:	± 206,152 sq ft.	6.11 Acres
Proposed Building:	± 2,304 sq ft.	0.05 Acres	
Proposed Parking:	± 5,880 sq ft.	0.13 Acres	
Impervious Area:	± 8,184 sq ft.	0.18 Acres	
PerVIOUS Area:	± 257,968 sq ft.	5.92 Acres	(97% of Site)

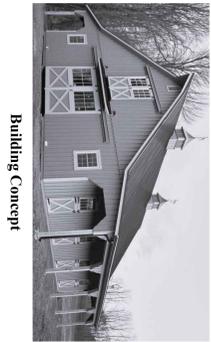
Proposed Parking: (1) Space for Employee, (1) Space for Visitor, (1) ADA Compliant Space

Site Plan Notes:

- For reference only, refer to survey(s) filed for record in Randolph County, Missouri prepared by a registered professional land surveyor for all property boundary, easements, utilities, and restrictions. All information shown on this drawing was based on such representations by City of Moberly's Digital Mapping System. All items, whether shown or not, to be field verified, coordinated, and approved by the City of Moberly and/or Utility Provider prior to any work.
- Currently the property consists of Vacant Lots and slopes slightly from South to North with roughly 8ft in elevation change. Property currently sheet drains North-Northeast. No City Storm Water Control (Curb/Gutter, Inlets, Piping, etc.) is currently adjacent to this property. Streets are aligned with Drainage Ditches and Drive/Street Cuts.
- Streets subject to Property do not currently have Sidewalks. Partial Sidewalks do exist in adjacent streets and this project will be in compliance with City Standards. It is the intent to install sidewalks on this project.
- Owner's intent is to install paved Drive Driveways with Curb/Cher's connected to adjacent West Hinton Avenue and Tedford Streets as shown.
- Owner's intent is to have Residential Trash Containers on site behind Proposed Building.
- Owner's intent is to install new Power Supply from adjacent Pole underground to Building as directed by Ameren Missouri and The City of Moberly.
- Any new Gas Service to be coordinated and approved by Ameren Missouri and The City of Moberly.
- Owner's intent is to install new Water Service from adjacent water main as directed by The City of Moberly.
- Owner's intent is to connect new Sanitary Sewer Service to adjacent City Sewer as directed by The City of Moberly.
- Building to discharge roof drainage at surface in perimeter Landscaping Areas, onto Proposed Drive, and/or into Rainwater Collection Devices. Proposed New Drive & Parking to drain towards designated Landscaping Drainage Areas and existing Drainage Ditches along both West Hinton & Tedford Streets.
- Proposed Building to be a Single Story Wood Framed Building with Symmetrical Gable End Roof and Lean-to Roofing over Stable/Paddock Area.
- Owner's intent is to install wall-mounted LED Light Fixtures to illuminate Drive/Parking Walk as necessary/suggested and Tinned LED Pole Lights in Corner Pressure as shown. Proposed lighting plans for project are attached to this drawing.
- Owner's intent is to install illuminated signage on the building or to construct Monument, Plaque, or Post Sign on property.
- Owner's intent is to install 5ft tall 3-rail Fencing at Perimeter of Property and designated Pastures, Corral's, Paddocks, etc.

Key Notes

- Existing Power Pole
- Existing Fire Hydrant
- Existing Sanitary Sewer Manhole
- Proposed New Electrical Service (Coordinate w/ Provider & City of Moberly)
- Proposed New Water Service (Coordinate w/ Provider & City of Moberly)
- Proposed New Sanitary Service (Coordinate w/ Provider & City of Moberly)
- Proposed On-Site Parking Location
- Proposed Pole Light Location



Building Concept



CROCKETT
ENGINEERING CONSULTANTS

OUTLINE & ASSOCIATES
1000 W. HINTON BLVD, SUITE 1
COUMBO, MISSOURI 65201
WWW.CROCKETTENGINEERING.COM
Crockett Engineering Consultants, LLC
Missouri #400031510



CONCEPTUAL SITE PLAN
SCALE: 1" = 50ft

**CITY OF MOBERLY, MISSOURI
RE-ZONING PERMIT
REASONS FOR DETERMINATION**

Submit Questions To:
Zoning Administrator
City of Moberly
101 West Reed Street
Moberly, MO 65270-1551
(660) 263-4420
(660) 263-9398 (fax)

For Office Use Only:
Date of Action: January 30, 2023
Action: APPROVAL

ON JANUARY 30, 20 23, THE CITY OF MOBERLY PLANNING AND ZONING COMMISSION AT ITS REGULAR MEETING, RECOMMENDED APPROVAL (ACTION: APPROVAL, CONDITIONAL APPROVAL, DENIAL) OF A RE-ZONING REQUEST FROM A(N) R-3 TO A (N) N-1/PD (ZONE) TO BE LOCATED 201 WEST HINTON AVENUE AND TO THE NORTH, TOTALING 6.1 ACRES, MOBERLY, MISSOURI. (ADDRESS OR LOCATION).

THE CITY COUNCIL WILL CONSIDER THE RECOMMENDATION OF THE PLANNING AND ZONING COMMISSION AT THE FEBRUARY 6, 20 23 MEETING OF THE MOBERLY CITY COUNCIL.

IN RECOMMENDING APPROVAL (ACTION) OF THIS RE-ZONING REQUEST, THE PLANNING AND ZONING COMMISSION CONSIDERED ALL STANDARDS LISTED IN THE ZONING REGULATION, AND ALL OTHER CONDITIONS LISTED FOR THAT USE IN OTHER SECTIONS OF THESE REGULATIONS. IN ADDITION, THE PLANNING AND ZONING COMMISSION FOUND THAT THE PROPOSED USE DID (DID/DID NOT) PROVIDE SAFEGUARDS TO ASSURE ITS COMPATIBILITY WITH THE SURROUNDING AREA.

CONDITIONS (IF ANY): _____



CHAIRPERSON


ZONING ADMINISTRATOR

City of Moberly City Council Agenda Summary

Agenda Number: _____

WS #12.

Department: Comm. Dev.

Date: February 6, 2023

Agenda Item: An application for a planned development submitted by Devin Snodgrass on behalf of Kal Cleavinger for the property located at 201 W Hinton Ave and the lots to the north.

Summary: The proposed site is located at 201 W Hinton Ave. and they are requesting a commercial stable facility to house not more than 5 horses and 5 acres fenced with 3 rail fencing for the horses, there will be a restroom and no sleeping quarters in the stable.

The Planning & Zoning Commission recommended approval for the request of the planned development.

Recommended Action: Direct staff to bring forward to the regular City Council meeting on February 21, 2023 for final approval.

Fund Name: N/A

Account Number: N/A

Available Budget \$: N/A

ATTACHMENTS:		Roll Call	Aye	Nay
<input type="checkbox"/> Memo	<input type="checkbox"/> Council Minutes	Mayor		
<input checked="" type="checkbox"/> Staff Report	<input type="checkbox"/> Proposed Ordinance	M___ S___ Jeffrey	___	___
<input type="checkbox"/> Correspondence	<input type="checkbox"/> Proposed Resolution	Council Member		
<input type="checkbox"/> Bid Tabulation	<input type="checkbox"/> Attorney's Report	M___ S___ Brubaker	___	___
<input type="checkbox"/> P/C Recommendation	<input type="checkbox"/> Petition	M___ S___ Kimmons	___	___
<input type="checkbox"/> P/C Minutes	<input type="checkbox"/> Contract	M___ S___ Kyser	___	___
<input type="checkbox"/> Application	<input type="checkbox"/> Budget Amendment	M___ S___ Lucas	___	___
<input type="checkbox"/> Citizen	<input type="checkbox"/> Legal Notice			
<input type="checkbox"/> Consultant Report	<input type="checkbox"/> Other _____		Passed	Failed

CITY OF MOBERLY, MISSOURI
PROCEDURES MANUAL

CITY OF MOBERLY, MISSOURI
PRELIMINARY DEVELOPMENT PLAN APPLICATION

Return Form to:
Zoning Administrator
City of Moberly
101 West Reed Street
Moberly, MO 65270-1551
(660) 263-4420
(660) 263-9398 (Fax)

For Office Use Only

Deposit: _____
Date Advertised: _____
Date Notices Sent: _____
Public Hearing Date: _____

APPLICANT INFORMATION:

Applicant: Devin Snodgrass, Outline & Associates Phone: 660.998.4288
Address: 1 Holman Road, Moberly, Missouri Zip: 65270
Owner: Kal Cleavinger Phone: 660.349.7100
Address: 1 Holman Road, Moberly, Missouri Zip: 65270

PROPERTY INFORMATION:

Street Address or General Location of Property: 201 W Hinton Avenue
Property is Located In (Legal Description) (If additional space is needed, please attach on additional sheet):

"see attached exhibit"

Present Zoning R-3 Present Use of Property: Vacant Lot

Proposed Use(s) (All uses are permitted in the Planned Development District; however, each use included in a particular "PD" must be specified below as well as on the Preliminary and Final Development Plans). _____

What is the acreage for each of the following types of use within the Planed Unit Development?

Residential _____ Commercial Industrial _____

CITY OF MOBERLY, MISSOURI
PROCEDURES MANUAL

SURROUNDING LAND USE AND ZONING:

	<u>Land Use</u>	<u>Zoning</u>
North	<u>Vacant Lot</u>	<u>B-3 General Commercial District</u>
South	<u>Hinton Ave / Manufactured Home Park / Vacant Lot</u>	<u>M-P Manufactured Home Park / R-2 Two-Family</u>
East	<u>Single Family Residences</u>	<u>R-2 Two-Family District</u>
West	<u>Tedford Street / Single Family / Vacant Lot</u>	<u>R-2 Two-Family District</u>

RELATIONSHIP TO EXISTING ZONING PATTERN AND NEIGHBORING AREA:

- Are there substantial reasons why the property cannot be used in accordance with existing zoning?
Yes No
If yes, explain: "see attached Submittal Letter"
- Describe how the proposed Planned Development will not have a substantial adverse affect on the neighboring area. _____

CONFORMANCE WITH COMPREHENSIVE PLAN:

- Is the proposed change consistent with the goals, objectives and policies set forth in the Comprehensive Plan? If yes, on a separate sheet of paper please explain how.
Yes No
- Is the proposed Planned Development consistent with the types of land uses indicated on the Future Land Use Map for the applicable tract of land? If yes, on separate sheet of paper please explain how.
Yes No

TRAFFIC CONDITIONS:

- Identify the street(s) with access to the property: West Hinton Avenue & Tedford Street
- Identify the classification of those street(s) as Arterial, Collector or Local and each Right-of-Way width:

Street Name	Classification	Right-of-Way Width
<u>West Hinton Avenue,</u>	<u>Local Street,</u>	<u>40ft ROW</u>
<u>Tedford Street,</u>	<u>Local Street,</u>	<u>30ft ROW</u>

CITY OF MOBERLY, MISSOURI
PROCEDURES MANUAL

- 3. Will turning movements caused by the proposed use create an undue traffic hazard?
Yes _____ No ✓

UNIQUE CHARACTERISTIC OF PROPERTY AND ADDITIONAL COMMENTS:

THE FOLLOWING MUST ACCOMPANY YOUR APPLICATION:

- 1. One copy of a legal description of the property proposed to be rezoned.
- 2. One copy of a statement describing the impact of the proposed change, including any traffic conditions that may result; any danger from fire hazards; how the proposed change may affect the character of the surrounding properties; and how the proposed change will benefit the City of Moberly.
- 3. Certified list of property owners located within:
 - A. 185 feet of the property if the proposed PD is located within the City's municipal boundaries;
 - B. 1,000 feet of the property if the proposed PD is adjacent to the city's corporate limits.
- 4. Fifteen (15) copies of the preliminary development plan for review and approval by the Planning and Zoning Commission, which said plan shall include the information as specified in the Zoning Regulations.



Applicant's Signature

12 / 29 / 2022

Date

City of *Moberly!*

Memorandum

To: *Planning and Zoning Commission*

From: *Planning Staff*

Subject: *Agenda item 1-3, Hinton Ave Planned Development*

Meeting: *January 30, 2023*

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or Water Dispenser/Bottled Water

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Key Notes

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- Proposed New Electrical Service (Coordinate w/ Provider & City of Moberly)
- Proposed New Water Service (Coordinate w/ Provider & City of Moberly)
- Proposed New Sanitary Service (Coordinate w/ Provider & City of Moberly)
- Proposed On-Site Parking Location
- Proposed Pole Light Location



Building Concept



CROCKETT
ENGINEERING CONSULTANTS
1000 W. Hinton Blvd., Suite 1
Commerce, Missouri 65601
www.crockett-engineering.com
Crockett Engineering Consultants, LLC
Missouri #00001510

OUTLINE & ASSOCIATES
THE DESIGN & CONSTRUCTION CONSULTANTS
1000 W. Hinton Blvd., Suite 1
Commerce, Missouri 65601
www.outlineandassociates.com
Outline & Associates, LLC
Missouri #00001510



CSP CONCEPTUAL SITE PLAN
SCALE: 1" = 50ft

**CITY OF MOBERLY, MISSOURI
PLANNED DEVELOPMENT PERMIT
REASONS FOR DETERMINATION**

Submit Questions To:
Zoning Administrator
City of Moberly
101 West Reed Street
Moberly, MO 65270-1551
(660) 263-4420
(660) 263-9398 (fax)

For Office Use Only:
Date of Action: JANUARY 30, 2023
Action: APPROVAL

ON JANUARY 30, 2023, THE CITY OF MOBERLY PLANNING AND ZONING COMMISSION AT ITS REGULAR MEETING, RECOMMENDED APPROVAL (ACTION: APPROVAL, DENIAL) OF A REQUEST OF A CERTIFICATE OF SURVEY FOR PLANNED DEVELOPMENT FOR A COMMERCIAL STABLE FACILITY, 201 W HINTON AVE, MOBERLY, MO.

THE CITY COUNCIL WILL CONSIDER THE RECOMMENDATION OF THE PLANNING AND ZONING COMMISSION AT THE FEBRUARY 6, 2023 MEETING OF THE MOBERLY CITY COUNCIL.

IN RECOMMENDING APPROVAL (ACTION) OF THIS SUBDIVISION REQUEST, THE PLANNING AND ZONING COMMISSION CONSIDERED ALL STANDARDS LISTED IN THE ZONING REGULATION, AND ALL OTHER CONDITIONS LISTED FOR THAT USE IN OTHER SECTIONS OF THESE REGULATIONS.,
CONDITIONS (IF ANY): _____


CHAIRPERSON


ZONING ADMINISTRATOR

City of Moberly City Council Agenda Summary

Agenda Number: WS #13.

Department: Public Utilities

Date: February 6, 2023

Agenda Item: A Discussion Regarding A Tannehill Water Line Project Change Order and Increase in Contract Costs.

Summary: The project team identified the opportunity for this change. During work within the area where the Tannehill water line project and the Sturgeon & Rollins water line project will be connecting, a discussion between Jacobs, Willis Bros and Moberly Utilities recognized that it would be beneficial to add the valving and piping necessary for that connection as part of the Tannehill project rather than later during Sturgeon and Rollins in order to streamline each project and reduce overall project costs. This change order will increase the Tannehill project in the amount for that effort from \$199,690 to \$209,066, a difference (increase) of \$9,376.

Recommended Action: Direct staff to develop a resolution for approval at the next regular council meeting.

Fund Name: Capital Improvement Sales Tax

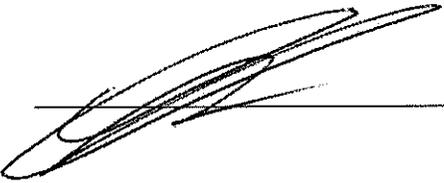
Account Number: 350.000.5502

Available Budget \$:

ATTACHMENTS:		Roll Call	Aye	Nay
<input type="checkbox"/> Memo	<input type="checkbox"/> Council Minutes	Mayor		
<input type="checkbox"/> Staff Report	<input type="checkbox"/> Proposed Ordinance	M__ S__ Jeffrey	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Correspondence	<input type="checkbox"/> Proposed Resolution	Council Member		
<input type="checkbox"/> Bid Tabulation	<input type="checkbox"/> Attorney's Report	M__ S__ Brubaker	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> P/C Recommendation	<input type="checkbox"/> Petition	M__ S__ Kimmons	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> P/C Minutes	<input type="checkbox"/> Contract	M__ S__ Lucas	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Application	<input type="checkbox"/> Budget Amendment	M__ S__ Kyser	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Citizen	<input type="checkbox"/> Legal Notice			
<input type="checkbox"/> Consultant Report	<input type="checkbox"/> Other _____		Passed	Failed

Recommended by Engineer

By: Tobin Lichti, Jacobs Engineering
Title: Project Manager
Date: January 31, 2023



Accepted by Owner

By: _____
Title: _____
Date: _____

Accepted by Contractor

By: Tom Willis
Title: Sec/Pres.
Date: Feb 1, 2023





WILLIS BROS., INC.
30285 KIMBALL PLACE
MACON, MISSOURI 63552
660-385-3327/FAX 660-385-7110

February 1, 2023

Jacobs Engineering Group Inc.
Tobin Lichti
Tannehill Water Main #C5X55937

Dear Tobin,

We are asking for substantial completion to requested on the above project. The water main has been installed, tested and turned back over to the city. The streets have been restored to the satisfaction of the city. The only thing left to complete is final restoration. Our last day on the job was December 20th, 2022.

Please call if you have any questions.

Sincerely,

Tom Willis
660-651-0935

City of Moberly City Council Agenda Summary

Agenda Number: _____ WS #14.

Department: Community Development

Date: February 6, 2023

Agenda Item: On-Call Professional Services agreement with Bartlett and West expires March 3, 2023 and they want to extent the agreement.

Summary: The On-Call professional Service with Bartlett and West is to expire on March 3, 2023 and they are asking to extent the agreement. Attached please find a letter from Bartlett and West.

Recommended Action: Bring forward to the February 21, 2023 regular City Council meeting for final approval.

Fund Name: Transportation Trust

Account Number: 600.000.5406

Available Budget \$: 40,000.00

ATTACHMENTS:		Roll Call	Aye	Nay
___ Memo	___ Council Minutes	Mayor		
___ Staff Report	___ Proposed Ordinance	M___ S___ Jeffrey	___	___
___ Correspondence	___ Proposed Resolution			
___ Bid Tabulation	___ Attorney's Report	Council Member		
___ P/C Recommendation	___ Petition	M___ S___ Brubaker	___	___
___ P/C Minutes	___ Contract	M___ S___ Kimmons	___	___
___ Application	___ Budget Amendment	M___ S___ Kyser	___	___
___ Citizen	___ Legal Notice	M___ S___ Lucas	___	___
___ Consultant Report	<u>x</u> <u>Other Agreement</u>		Passed	Failed

City Hall
660-263-4420

City Manager
660-269-8705
x2062

City Clerk
660-269-8705
x2053

Code
Enforcement/
Building
Inspection
660-269-8705
x2042

Community
Development
660-269-8705
x2044

Finance
660-269-8705
x2037

Fire Non-
Emergency
660-263-4177

Fire Emergency
911

Parks &
Recreation
660-263-6757

Personnel/
Purchasing
660-269-8705
x2070

Police Non-
Emergency
660-263-0346

Police
Emergency
911

Public Works
660-269-8705
x2044

Sanitation/
Street
Maintenance
660-269-9450

Utility Billing
660-263-4420

February 2, 2023

Bartlett & West, Inc
1719 Southridge Dr, Suite 100
Jefferson City, Mo 65109

Re: On-Call Engineering Service Agreement Renewal for 2023

In accordance with the On-Call Engineering Master Service Agreement dated March 3, 2020, the City of Mexico wishes to extend the agreement for another three (3) years.

IN WITNESS WHEREOF, the parties have executed this Agreement extension.

CLIENT:

CONSULTANT:

CITY OF OBERLY, MO

Bartlett & West, Inc.

By: _____

By: _____

Print name: _____

Print name: _____

Title: _____

Title: _____

Date Signed: _____

Date Signed: _____

BARTLETT & WEST, INC.**MASTER AGREEMENT FOR PROFESSIONAL SERVICES**

This is a Master Agreement effective as of 3-3-2020, 2020 between the City of Moberly, MO ("CLIENT"), located at 101 West Reed Street, Moberly, MO 65270 and Bartlett & West, Inc. ("CONSULTANT"), located at 1719 Southridge Drive, Suite 100, Jefferson City, MO 65109.

WHEREAS, the CLIENT intends to engage the CONSULTANT in a variety of projects, per forming certain professional services. Details of the projects will be included in individual Task Orders to be attached to and made a part of this Master Agreement.

The CLIENT and CONSULTANT therefore agree as follows:

ARTICLE I - DEFINITIONS AND RULES OF INTERPRETATION

- A. The agreement between the CLIENT and the CONSULTANT consists of this Master Agreement for Professional Services, the Standard Provisions of Agreement for Professional Services attached as Exhibit A, and any subsequent executed Task Orders. All such items together shall be referenced herein as the "Agreement."
- B. Task Orders will describe the specific services requested by the CLIENT, the budget, and the time. Each Task Order will be sequentially numbered and will be considered as an exhibit to this Agreement. The Task Order shall be executed by both the CLIENT and the CONSULTANT before any work proceeds. A sample Task Order is attached as Exhibit B.
- C. In the event of any conflict in the language of this Agreement with the Standard Provisions of Agreement attached hereto the language of the Standard Provisions of Agreement shall control unless this Agreement specifically provides to the contrary. In the event of any conflict in the language of any Task Order attached hereto with said Standard Provisions of Agreement, the language of the Task Order shall control.
- D. This Agreement, including any Task Orders, represents the entire and integrated agreement between the CLIENT and the CONSULTANT and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the CLIENT and the CONSULTANT
- E. This Agreement shall be governed by the laws of the state of Missouri.

ARTICLE II - SCOPE OF WORK

- A. CONSULTANT'S services will be detailed in a duly executed Task Order for each Specific Project. Each Task Order will indicate the specific tasks and functions to be performed and deliverables to be provided.
- B. CONSULTANT shall not be obligated to perform any prospective Task Order unless and until CLIENT and CONSULTANT agree to the particulars of the Specific Project,

CONSULTANT'S services, CONSULTANT'S compensation, and all other appropriate matters.

ARTICLE III - CLIENT'S RESPONSIBILITIES

In addition to other responsibilities which may be set forth in this agreement, the CLIENT shall:

- A. Provide CONSULTANT with all criteria and full information as to CLIENT'S requirements for the PROJECT, including design objectives, capacity, performance requirements, and budgetary limitations upon which the CONSULTANT may rely.
- B. Furnish available information pertinent to the PROJECT including reports and data relative to previous designs, or investigation at or adjacent to the site.
- C. Arrange for safe access to and make all provisions for CONSULTANT to enter upon public and private property as required to perform services under this Agreement.
- D. Examine alternative solutions, reports, drawings, specifications, and other documents presented by the CONSULTANT and render timely decisions pertaining to the documents.
- E. Provide timely reviews, approvals, and permits from all governmental authorities having jurisdiction over elements or phases of the PROJECT.
- F. Participate in conferences, meetings, bid openings, and other similar aspects of the PROJECT as requested by the CONSULTANT.

ARTICLE IV - TIME OF PERFORMANCE FOR SERVICES

- A. The services under each Task Order have been agreed to in anticipation of the orderly progress through completion. Unless a specific time of performance for services is specified in a Task Order, CONSULTANT'S obligation to render services hereunder will be for a period which may reasonably be required for the completion of said services. If a specific time of performance is provided in a Task Order, and if the CLIENT has requested changes in the scope or character of the project, the time of performance shall be adjusted equitably.

ARTICLE V - PAYMENT PROVISIONS

- A. CLIENT shall pay the CONSULTANT for services as described in each individual Task Order.
- B. Fees will be billed monthly based upon the form of compensation selected and described under each individual Task Order.

ARTICLE VI - INSURANCE

- A. CONSULTANT shall purchase and maintain insurance as set forth below:
 1. Commercial General Liability insurance with a limit of \$1,000,000 for each occurrence and \$2,000,000 general aggregate.
 2. Automobile Liability insurance with a limit of \$1,000,000 for each accident, combined single limit for bodily injury and property damage.

3. Workers Compensation and Employer's Liability insurance in accordance with statutory requirements, with a limit of \$1,000,000 for each accident.
4. Professional Liability insurance on a claim made basis in the amount of \$3,000,000 per claim and annual aggregate.
5. Commercial Umbrella, with a limit of \$5,000,000 each occurrence and aggregate.
6. Technology E&O with a limit of \$1,000,000 each claim and aggregate.

Certificates of insurance evidencing the coverages indicated above will be provided to CLIENT upon request.

ARTICLE VII - DISPUTE RESOLUTION

- A. Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to arbitration if it involves a total claim amount and anticipated costs including attorney's fees and expenses of less than \$200,000. Claims in excess of \$200,000 shall be brought only in the circuit court of Randolph County, Missouri and the parties agree to this venue and to jurisdiction by this court. Prior to arbitration or litigation, the parties shall endeavor to resolve disputes by mediation in accordance with paragraph 10 of the standard provisions of agreement attached as Exhibit A.
- B. Unless the parties mutually agree otherwise, arbitration shall be in accordance with the construction industry arbitration rules of the American Arbitration Association then in effect. The demand for arbitration shall be filed in writing with the other party to the agreement and with the American Arbitration Association.
- C. A demand for arbitration shall be made within a reasonable time after the claim, dispute or other matter in question has arisen. In no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations.
- D. The award rendered by the arbitrator or arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in the state having jurisdiction thereof.

ARTICLE VIII - ALLOCATION OF RISKS

- A. Percentage Share of Negligence. To the fullest extent permitted by law, a party's total liability to the other party and anyone claiming by, through, or under the other party for any cost, loss, or damage caused in part by the negligence of the party and in part by the negligence of the other party or any other negligent entity or individual, shall not exceed the percentage share that the party's negligence bears to the total negligence of the CLIENT, CONSULTANT, and all other negligent entities and individuals.

ARTICLE IX - INDEMNITY

- A. Indemnity by CONSULTANT. The CONSULTANT agrees to indemnify and hold harmless the CLIENT from and against damages, losses, costs or expenses (including reasonable attorney's fees) actually incurred by CLIENT but only to the extent caused by the negligent performance of the CONSULTANT. In the event that the CLIENT and

CONSULTANT are both at fault for certain damages, then each party shall bear liability for its own respective percentage of fault.

- B. CONSULTANT will not be required to indemnify the CLIENT for claims caused or alleged to be caused in whole or in part by the acts or omissions of the CLIENT or other third parties for whom the CONSULTANT is not responsible.
- C. The CONSULTANT's obligation to indemnify the CLIENT is limited by Article X Design Contingency provisions.
- D. Under no circumstances shall the CONSULTANT be required to pay the defense costs of the CLIENT, unless the CONSULTANT is adjudged to be negligent by a court of law, and such defense costs are included as damages in the award. The CONSULTANT's obligation to pay defense costs, if awarded by a court, is limited by Article X. Design Contingency provisions, if any such provisions are part of this Agreement.

ARTICLE X - DESIGN CONTINGENCY

- A. DESIGN CONTINGENCY CONSULTANT makes no warranty, express or implied, that its design is free of errors. CLIENT and CONSULTANT agree that certain increased costs and changes may be required and are anticipated due to omissions, errors or inconsistencies in drawings and specifications prepared by CONSULTANT. Therefore, CLIENT agrees to set aside a reserve in the amount of 10 percent (10%) of the estimated total Specific Project cost as a contingency to be used, as needed, to pay for any such increased costs and changes. The percentage is intended to be for the whole project cost and not applied as a percentage to individual segments or quantities of a construction project. CLIENT agrees to make no claim against CONSULTANT with respect to any increased cost within this contingency amount. If costs due to changes resulting from design errors, omissions or inconsistencies exceed the contingency, then CONSULTANT shall be responsible for damages incurred by CLIENT above that sum but only to the extent caused by CONSULTANT's negligent performance. Cost increases as a result of CLIENT requests made after construction documents are issued for permit, changes in governmental agency requirements after previous approval, or unforeseen conditions are not costs due to errors, omissions or inconsistencies. In no event shall CONSULTANT be responsible for direct costs that CLIENT would have incurred in the construction contract, including actual installed quantities during construction, but for the CONSULTANT's error or omission.
- C. The CLIENT and CONSULTANT agree that specific and adequate consideration has been given for this limitation of liability.

ARTICLE XI - TERM OF AGREEMENT

- A. This Agreement shall be effective and applicable to Task Orders issued here under for three (3) years from the Effective Date of the Agreement.
- B. The parties may extend or renew this Agreement, with or without changes, by written instrument establishing a new term.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, the effective date of which is indicated on page 1.

CLIENT:
CITY OF MOBERLY, MO

By: *Brian Crane*

Printed Name: Brian Crane

Title: City Manager

Date Signed: 3-3-2020

CONSULTANT:
BARTLETT & WEST, INC.

By: *Neil Dobler*

Print Name: Neil Dobler

Title Sr. Vice President

Date Signed: 3/5/2020

EXHIBIT A
STANDARD PROVISIONS OF AGREEMENT FOR PROFESSIONAL SERVICES

The Client and Bartlett & West, Inc. (referred to as the Consultant), agree that the following provisions shall be part of this Agreement.

1. Payment. Unless stated otherwise in this Agreement, fees and all other charges will be billed monthly as the work progresses, and the net amount shall be due at the time of billing. In the event Client fails to pay the Consultant within ninety (90) days after invoices are rendered, then Client agrees that the Consultant shall have the right to consider such failure as a substantial breach of this Agreement and the duties of the Consultant under this Agreement may be terminated at the election of the Consultant upon five (5) days written notice. Interest not exceeding the maximum rate allowable by law will be payable on any amounts not paid within 30 days of the billing date, payment thereafter to be applied first to accrued interest and then to the principal unpaid amount. If Client fails to pay Consultant the amount due under this Agreement in a timely manner pursuant to this section, Client shall be liable for and shall reimburse Consultant for expenses incurred by Consultant in connection with or in any way relating to Client's failure to pay. Such expenses shall include, without limitation, reasonable attorneys' fees, legal expenses, and court costs.
2. Taxes. Compensation payable to the Consultant pursuant to this agreement shall be in addition to taxes that may be assessed against the Consultant by any state or political subdivision directly on services performed or payments for services performed by the Consultant. Such taxes that the Consultant may be required to collect or pay shall be added by the Consultant to invoices submitted to the Client pursuant to this agreement.
3. Suspension. In the event all or any portion of the work prepared or partially prepared by the Consultant is suspended, abandoned, or terminated, the Client shall pay the Consultant for the work performed on an hourly basis, not to exceed any maximum contract amount specified herein.
4. Termination. This Agreement may be terminated by either Client or the Consultant upon thirty (30) days written notice in the event of substantial failure of the other party to perform in accordance with the terms of this agreement. Client expressly agrees to hold the Consultant harmless from any liability arising out of the Consultant's termination of its services hereunder due to Client's failure to perform and/or pay in accordance with the provisions of this agreement. In the event of termination of this Agreement, Client shall then promptly pay the Consultant for all of the fees, charges and services performed by the Consultant in accordance with the compensation arrangements under this agreement or on an agreed hourly basis. If the Consultant files suit for breach of contract, all attorney fees, court costs, and other related costs will be paid by the Client if a Court finds the Client has breached its contract with the Consultant.
5. Delay. All agreements on the Consultant's part are contingent upon, and Consultant shall not be responsible for damages or be in default, or be deemed to be in default, by reason of delays in performance of others by reason of strikes, lock-outs, accidents, acts of God and other delays unavoidable or beyond Consultant's reasonable control, or due to shortages or unavailability of labor at established area wage rate or delays caused by failure of Client or Client's agents to furnish information or to approve or disapprove Consultant's work promptly, or due to late or slow, or faulty performance by Client, other contractors or governmental agencies, the performance of whose work is precedent to or concurrent with the performance of Consultant's work. In the case of the happening of any such cause of delay, the time of completion shall be extended accordingly.
6. Client Changes. In the event that any changes are made in the work to be performed hereunder, by the Client or persons other than the Consultant, and which affect the Consultant's work, any and all liability arising out of such changes is waived as against the Consultant and the Client assumes full responsibility for such changes unless Client has given the Consultant prior notice and has received from the Consultant written consent for such changes.
7. Third Party Information. The Consultant is not responsible, and liability is waived by Client as against the Consultant, for use by Client or any other person of any data, reports, plans or drawings not prepared by the Consultant.
8. Waiver of Consequential Damages. In no event shall the Consultant be liable for consequential damages, including lost profits, loss of investment or other incidental damages.
9. Completion. In no event shall any statute of limitations commence to run any later than the date when the Consultant's services are substantially completed and any cause of action against the Consultant arising from or pertaining to this Agreement must be initiated no later than two (2) years after the date when the Consultant's services are substantially completed.
10. Disputes. Any claim, dispute or other matter in question arising out of or related to this agreement shall

be subject to mediation as a condition precedent to the institution of litigation. The mediator shall be jointly selected by the Client and the Consultant. If the parties are unable to agree, the Consultant shall present a list of three prospective mediators to the Client, who shall choose the mediator. In the event of failure on the part of the Client to do so within ten (10) days of receipt of the list, the Consultant shall choose the mediator. The mediator's fees shall be shared equally and shall be held at the offices of the Client or the Consultant as selected by the mediator.

11. Waiver of Subrogation. To the extent any damage or claim is covered by property insurance during construction, the Client and the Consultant waive all rights against each other and against the contractors, consultants, and employees of the other for damages, except such rights as they may have to the proceeds of such insurance. The Client or the Consultant, as applicable, shall require of the contractors, consultants, agents and employees of any of them similar waivers in favor of the other parties enumerated herein.

12. Standard of Care. The Consultant's services shall be performed in a manner consistent with that degree of skill and care exercised by practicing professionals performing similar services under the same or similar circumstances and conditions. The Consultant makes no other representations or any warranties, whether expressed or implied, with respect to the services rendered hereunder.

13. Consultant Data. All reports, plans, specifications, computer files, data resulting from laser scanning, tracings, survey notes, and other original documents are instruments of service and shall remain the property of the Consultant. Consultant may sell said instruments of service to third party sources.

14. Ownership. Consultant has and will retain all ownership rights in any software developed under this agreement, including all patent rights, copy rights, trade secrets, trademarks, service marks, related goodwill and confidential and proprietary information, except as explicitly stated in this agreement.

15. Ownership. Products of work shall be defined as any deliverable provided to the Client as a result of services under this agreement, including but not limited to software applications, databases, specifications, and documentation. All products of work delivered are proprietary to the Consultant and contain trade secrets, inclusive of unpublished specifications. The products of work are owned by Consultant and are protected by United States copyright laws, trademark laws and applicable international treaties and/ or conventions. In consideration of the rights granted herein, Client agrees to retain all software, related materials, and information delivered or provided to it in strict confidence. All rights,

title, and ownership in patents, trademarks, copyrights, trade secrets, know-how, or any other proprietary rights in the products of work remains exclusively with Consultant. Client shall not sell, transfer, lease, lend, assign, time-share, sublicense, publish, disclose, display, or otherwise make available the products of work in any form, including, but not limited to, flowcharts, logic diagrams, executable code, object code, source code, or technical documentation, to any other person or entity without the express written permission of Consultant. Client shall secure and protect the products of work in the same manner and to the same degree it protects its own proprietary information, using no less than a reasonable standard of care. Client shall not de compile or reverse engineer any of Consultant's software. Client shall not make any modifications or derivative works to the products of work.

16. Ownership. All error corrections, enhancements, new releases, and any other products of work created by Consultant in connection with the services provided under this agreement are and shall remain the exclusive property of Consultant, regardless of whether the Client, its employees, or agents may have contributed to the conception, joined in its development, or paid Consultant for the development or use of said products of work.

17. Confidentiality. All information relating to the Client that is known to be confidential or proprietary, or which is clearly marked as such, shall be held in confidence by Consultant and shall not be disclosed or used by Consultant except to the extent that such disclosure or use is reasonably necessary to the performance of Consultant's work. All information relating to Consultant that is known to be confidential or proprietary, or which is clearly marked as such, shall be held in confidence by Client. These obligations of confidentiality shall extend after the termination of this agreement, but shall not apply with respect to information that is independently developed by the parties, lawfully becomes a part of the public domain, or of which the parties gained knowledge or possession free of any confidentiality obligation.

18. Fees. When applicable to the project(s), the Client shall pay the costs of checking and inspection fees, zoning and annexation application fees, assessment fees, soils engineering fees, soils testing fees, aerial photography fees, and all other fees, permits, bond premiums, title company charges, and reproductions, and all other charges not specifically covered by the terms of this Agreement.

19. Construction Costs. If any opinion is prepared by the Consultant as to anticipated construction costs, such opinion represents a judgment as a professional and is supplied for the general guidance of the Client. Since the Consultant has no control over the cost of labor and material, or over competitive bidding or market

conditions, the Consultant does not guarantee the accuracy of such opinion as compared to contractor bids or actual cost to the Client.

20. Job Site. If the work involves construction services, the Client agrees that in accordance with generally accepted construction practices, the construction contractor will be required by the Client to assume sole and complete responsibility for job site conditions during the course of construction of the project(s), including safety of all persons and property and that this requirement shall be made to apply continuously and not be limited to normal working hours. The Consultant does not assume responsibility for the safety of persons or property on or about the project site(s).

21. Construction Site Visits. If applicable, the Consultant shall make periodic visits to the project site(s) to observe the progress and quality of the executed work and to generally review whether the work is proceeding in accordance with plans and specifications. The Consultant shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of work and does not assume responsibility for construction techniques, procedures, sequences and schedules or for the conduct, action, errors or omissions of any construction contractor, subcontractor, or material supplier, their agents or employees.

22. Resident Project Representation. When applicable, and by separate attachment executed by the Client and the Consultant, the Consultant may provide resident project representation under the Consultant's supervision that will be paid for by the Client as indicated in such separate agreement and that will be intended to give the Client further assurance with regard to the finished work but will not involve the Consultant in the construction means, methods, techniques, sequences or procedures or safety precautions or programs nor provide to the Client any guarantee by the Consultant of the accuracy, quality or timeliness of performance by any contractor, subcontractor, or material supplier.

23. Hazardous Materials. When applicable, and unless otherwise provided by specific agreement, the Consultant and the Consultant's consultants shall have no responsibility for the discovery, presence, handling, removal or disposal of or exposure of persons to hazardous materials or toxic substances at the project sites(s).

24. Assignment/Third Party Reliance. Neither the Client nor the Consultant shall assign its interest in this Agreement without the written consent of the other. The services to be provided pursuant to this Agreement are being performed solely for the benefit of the Client, and no benefit is meant to be conferred upon any person or entity not a party to this Agreement, and no such person or entity should rely upon Consultant's performance of those services to the Client; and no claim against Consultant shall accrue to, any contractor, subcontractor, consultant, engineer, supplier, fabricator, manufacturer, lender, tenant, surety, home-owner's association or any other third-party as a result of this Agreement or the performance or non-performance of services on the project(s).

25. Client Representative. The Client shall designate an individual with authority to act on behalf of the Client as to all aspects of the project(s), shall examine and respond promptly to submissions from the Consultant, shall give prompt written notice to the Consultant if the Client becomes aware of any defect in the project(s), and shall otherwise fully cooperate as may be required or appropriate in connection with the project(s).

26. Equal Opportunity. The Consultant shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.S(a), and 60-741.S(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability.

27. Severability. Should any provision herein be found or deemed to be invalid, this agreement shall be construed as not containing such provision and all other provisions which are otherwise lawful shall remain in full force and effect, and to this end the provisions of this Agreement are declared to be severable.

City of Moberly City Council Agenda Summary

Agenda Number: WS #15.
 Department: Parks & Recreation
 Date: February 6, 2023

Agenda Item: Kiwanis Park Engineering

Summary: We requested engineering proposals last fall and received none as most firms were maxed out. We resumed conversations with Bartlett & West – who the City has had an ongoing relationship with for years – and they have put together a proposal. The attached proposal comes in just under what they estimated this winter and significantly under the estimate in the CDBG funding attempt approximately a year ago.

Bartlett & West also previously did a basic site plan previously as well as worked on the CDBG funding proposal a year ago so they are very familiar with the property and the project.

This agreement would provide for the engineering of and specifications for the hardscape portion of the project including the driveway, parking lot, sidewalk, pavilion, and restroom. The playground is a part of the grant application and proposals would be received separately based on a maximum budget and it would be installed following the construction of the items that fall under this engineering proposal in order to have the appropriate and required setbacks from the hardscape items.

Recommended

Action: Ask staff to bring a resolution for approval at the February 21, 2023 meeting.

Fund Name: Recreation – Contract Services

Account Number: 115.044.5406

Available Budget \$: \$122,087.80

ATTACHMENTS:		Roll Call	Aye	Nay
<input type="checkbox"/> Memo	<input type="checkbox"/> Council Minutes	Mayor		
<input type="checkbox"/> Staff Report	<input type="checkbox"/> Proposed Ordinance	M___ S___ Jeffrey	___	___
<input type="checkbox"/> Correspondence	<input type="checkbox"/> Proposed Resolution	Council Member		
<input type="checkbox"/> Bid Tabulation	<input type="checkbox"/> Attorney's Report	M___ S___ Brubaker	___	___
<input type="checkbox"/> P/C Recommendation	<input type="checkbox"/> Petition	M___ S___ Kimmons	___	___
<input type="checkbox"/> P/C Minutes	<input checked="" type="checkbox"/> Contract	M___ S___ Kyser	___	___
<input type="checkbox"/> Application	<input type="checkbox"/> Budget Amendment	M___ S___ Lucas	___	___
<input type="checkbox"/> Citizen	<input type="checkbox"/> Legal Notice			
<input type="checkbox"/> Consultant Report	<input type="checkbox"/> Other _____		Passed	Failed

TASK ORDER NO. 19

This Task Order No. 19 is issued relative to and in accordance with the Master Agreement (hereafter referred to as the “Agreement”) for Professional Services between the City of Moberly, Missouri (“Client”) and Bartlett & West, Inc. (“Consultant”) as dated March 3, 2020, and as further modified herein.

The Provisions of this Task are as follows:

- A. **Definitions and Rules of Interpretation.** For purposes of this Task Order, definitions and rules of interpretation as outlined within the Agreement, or within preceding Task Orders, shall apply unless exception or redefinition to any previously provided terms are expressly noted by this Task Order.
- B. **Scope of Work.** Consultant shall perform services under the Task Order for the purpose of developing a design for shelter pavilion with restrooms and associated site work at the Kiwanis Park in Moberly, Missouri and as more fully described herein.
 - 1. Refer to attached Exhibit A for the Scope of Work.
- C. **Time of Performance for Services.** The schedule for services will be established upon contract award.
- D. **Compensation for Services.** The services contained in this Task Order shall be performed for the lump sum fee of \$93,942.00.
 - 1. Intermittent travel expenses to cover Consultant’s out-of-pocket expenses will be at cost, plus a 10% mark-up. A \$1500 expense allowance is included in the lump sum fee.
 - 2. Subcontracted services, if added at a later date, will be billed at actual cost plus 10%.
- E. **Client’s Responsibilities.** Client’s responsibilities in the completion of this Task Order are as follows:
 - 1. Refer to attached Exhibit A for Client responsibilities.

If no responsibilities are listed, then the responsibilities are as outlined in the Agreement.
- F. **Special Items.** Special items relative to this Task Order are as follows:
 - 1. Consultant and Client agree that the Agreement and this Task Order may be changed by mutual written consent of both Consultant and Client.
 - 2. In regard to this Task Order No. 19 only, the following terms are noted as changed from either the Agreement or the Standard Provisions.
- G. **Authorization Acknowledgement and Acceptance:** All services herein offered are subject to the terms of the Agreement, unless otherwise specifically provided for herein. Signature hereto by both Parties constitutes an offer by Consultant to perform such services listed herein and an authorization by Client for Consultant to proceed with the services.

CLIENT:

CITY OF MOBERLY, MISSOURI

CONSULTANT:

BARTLETT & WEST, INC.

By: _____

Print Name: _____

Title: _____

Date Signed: _____

By: _____

Print Name: _____

Title: _____

Date Signed: _____

EXHIBIT A

SCOPE OF SERVICES FOR Shelter/Restroom Building Kiwanis Park Moberly, Missouri

GENERAL BACKGROUND

This project consists of providing construction documents for a Shelter House/Restroom Building at Kiwanis Park in Moberly, MO. The building is to be approximately 54 feet x 34 feet. There is to be a men's restroom facility and a women's restroom facility. The building is to be timber construction with the restroom area being insulated with metal or wood stud framing and sheathing. The restrooms will be conditioned for year-round use. Site work includes a parking lot and utility connections.

This project includes construction documents for civil, landscape, architectural, MEP (mechanical, electrical and plumbing) and structural (foundation and building) scopes of work.

CIVIL, ARCHITECTURE, MEP & STRUCTURAL SCOPE OF SERVICES

Design:

Codes: Design codes for Moberly, MO:

- 2021 International Building Code (IBC)
- 2021 International Plumbing Code (IPC)
- 2021 International Mechanical Code (IMC)
- 2021 International Fuel Gas Code (IGC)
- 2011 National Electric Code (NEC)
- 2021 International Fire Code (IFC)

Civil / Landscape:

- Project kickoff meeting with team and the owner.
- Team coordination and collaboration (internal and external).
- Perform topographic design surveys required to complete the proposed work.
- Develop site layout with revisions.
- Develop site grading.
- Provide construction documents to include existing conditions & demolition plan, site layout plan, site dimension plan, site utility plan, site grading plan, erosion control plan, site details, and landscape plan.
- Develop sheet specifications for civil and landscape sections.
- Perform document QC reviews for each submittal.
- Construction administration to include shop drawing review and response for RFI's.
- One site visit conducted during the design development phase and two construction phase, total of 3 site visits.

Building and Architectural:

- Develop drawings including a floor plan, code plan, roof plan, building elevations (4), wall sections (2-3), details, finish schedule and door schedule.
- Perform a code analysis.
- Team coordination and collaboration (internal and external).
- Perform document QC reviews for each submittal.
- Develop specifications for architectural scope of work (Divisions 6, 7, 8, 9, 10, 13).
- Submit a schematic design package for client review.
- Address client comments.
- Submit a final construction set of documents.
- Submit a permit package upon approval of the final CD package.

Structural

- Provide structural foundation design for the shelter house/restroom building based on soil information provided to Bartlett & West. The building is to be timber construction with the restroom area being constructed of wood or steel stud framing.
- Provide construction documents as required to provide the contractor with the information required to bid and construct:
 - The new shelter house/restroom building.
- Perform document QC reviews for each submittal.
- Construction documents to include:
 - General notes for construction.
 - Foundation design, and roof design.
 - Foundation/concrete details required for construction.
 - Foundation and wall sections required for construction.
- Review of structural shop drawing submittals for general conformance with structural construction documents.

Mechanical, Electrical and Plumbing (MEP)

- Provide underfloor plumbing layout to provide two toilets and one sink in each of the restrooms in the new Shelter House/Restroom Building.
- Plumbing details will be provided on the construction documents.
- HVAC will include heating, ventilation and air conditioning in the new Shelter House/Restroom building.
- HVAC equipment will be shown on the construction documents and scheduled.
- HVAC details will be provided as part of the contract document package for construction.
- Provide site electrical layout for electrical service to Shelter house/Restroom building. Electrical service to be 120/240 single phase.
- Provide building lighting layout and circuiting on the construction documents. Includes shelter area and restroom area.
- Provide power system layout and circuiting on the construction documents. Includes shelter area and restroom area.
- Provide area lighting with two light poles along the sidewalk that runs between the parking lot and playground area.
- Provide electrical service drawings and details on construction documents.
- Provide electrical schedules and details on construction documents.
- Perform document QC reviews for each submittal.

- Specifications will be included as part of the construction documents.

Bidding Phase

- Issue bid package.
- Assist Owner in soliciting bids.
- Attend the pre-bid conference virtually.
- Respond to RFIs and issue addenda.
- Assist Owner in evaluating bids.
- Assist Owner in developing the Owner-Contractor agreement.

Construction Phase

- Respond to RFIs.
- Provide submittal review (not exceeding 2 times per package).
- Review pay applications for Owner approval.
- Perform two (2) site visits during construction (1 person for 2 site visits only).
- Attendance by 1 person at (3) virtual OAC meetings.

Design/Pre-Bid and Pre-Construction meetings

- This proposal includes two (2) virtual design review meetings (50% and 100% final review). Additional meetings requested will be additional services and be charged based on our standard hourly rates.
- This proposal includes on-site attendance for 1 person at 3 meetings.

EXCLUSIONS

- Geotechnical or soils testing. Bartlett & West is contracting with Alpha Omega Geotech for geotechnical services.
- Construction administration services other than shown above.
- Presentations to City Council and/or Planning Commission.
- Developing an opinion of probable construction cost.
- Site environmental testing and/or remediation.
- Permit fees.
- Structural inspections and code-mandated special inspections.
- Design of site structures (ie: retaining walls, drainage structures, signs etc.)
- Development of multiple plan options (exceeding 2 options).
- Extensive re-design of the building façade (exceeding 2 revisions).
- Building renderings.
- As-built drawings.

CLIENT'S RESPONSIBILITY

1. Determination of the existence of any hazardous material associated with project.
2. Contract with Alpha Omega Geotech to perform geotechnical sub-surface investigation with the report signed and sealed by a professional engineer licensed in the State of Missouri.
3. Locations and weights of all building supported equipment.
4. Product data on Owner-provided equipment and furnishings.
5. All required permitting.

TIME FOR COMPLETION

The proposed project schedule is as follows:

1. To be determined on approval of contract.

DELIVERABLES

Complete sealed architectural, m/e/p and structural construction documents including:

1. A schematic design (65%) package with drawings only.
2. A 95% construction documentation package with drawings and specifications (sheet and project manual).
3. A permit set of sealed construction documents in PDF format for city approval and bidding.
4. Drawings shall consist of plans, details and schedules necessary for project bidding and construction. Refer to scope of work narratives above for drawings included by each discipline.

EXHIBIT B

**FEE PROPOSAL
FOR**

Shelter/Restroom Building
Kiwanis Park
Moberly, Missouri

SUMMARY OF COSTS

The scope of services as described above will be completed on a Lump Sum basis. The design fee includes a \$1500 expense allowance.

Total Civil, Landscape, Architectural, MEP, & Structural Design Fee:	\$86,131.00
Survey:	\$7,811.00
<hr/>	
Total Fee: \$93,942.00

ADDITIONAL SERVICES:

Changes to the design or other design or construction connected assistance, other than stated in the scope of work above, will be considered additional services and will be charged at our standard hourly rates. Additional site visits required by contractor can be provided at our standard hourly rates.

City of Moberly City Council Agenda Summary

Agenda Number: _____ WS #16.
 Department: Community Development
 Date: February 6, 2023

Agenda Item: A Resolution Of The Council Of The City Of Moberly Approving A Sidewalk Repair Services Agreement; And Providing Further Authority.

Summary: The proposal is to eliminate 108 trip hazards in the downtown district by angle sawing to make a smooth transition. The cost for the proposed work is \$12,898.00. CID board approved pay half of the cost (\$6,449.00) and the City paying the other half (\$6,449.00).

Recommended Action: Bring this forward to February 21, 2023 regular City Council meeting for final approval

Fund Name: CID

Account Number: 912.000.5502

Available Budget \$: 13,095.17

ATTACHMENTS:		Roll Call	Aye	Nay
<input type="checkbox"/> Memo	<input type="checkbox"/> Council Minutes	Mayor		
<input type="checkbox"/> Staff Report	<input type="checkbox"/> Proposed Ordinance	M__ S__ Jeffrey	___	___
<input type="checkbox"/> Correspondence	<input type="checkbox"/> Proposed Resolution	Council Member		
<input type="checkbox"/> Bid Tabulation	<input type="checkbox"/> Attorney's Report	M__ S__ Brubaker	___	___
<input type="checkbox"/> P/C Recommendation	<input type="checkbox"/> Petition	M__ S__ Kimmons	___	___
<input type="checkbox"/> P/C Minutes	<input type="checkbox"/> Contract	M__ S__ Kyser	___	___
<input type="checkbox"/> Application	<input type="checkbox"/> Budget Amendment	M__ S__ Lucas	___	___
<input type="checkbox"/> Citizen	<input type="checkbox"/> Legal Notice		Passed	Failed
<input type="checkbox"/> Consultant Report	<input checked="" type="checkbox"/> Other _____			

BILL NO: _____

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF MOBERLY APPROVING A SIDEWALK REPAIR SERVICES AGREEMENT; AND PROVIDING FURTHER AUTHORITY.

WHEREAS, the City of Moberly, Missouri (the “**City**”) received the attached proposal for sidewalk repairs involving various sidewalk locations within the boundaries of the Downtown Moberly Community Improvement District (the “**District**”; and

WHEREAS, the District was formed as a political subdivision of the State of Missouri pursuant to the Community Improvement District Act, sections 67.1401 through 67.1571 of the Revised Statutes of Missouri, as amended (the “**CID Act**”); and

WHEREAS, the City Council and the Board of Directors of the District have concluded that it is necessary and desirable to repair the various sidewalk locations located within the boundaries of the District and to engage the services of 3 Mat Co. d/b/a Precision Concrete Cutting Midwest (the “**Contractor**”) and to enter into a certain sidewalk repair services agreement among the District, the City of Moberly (the “**City**”), and the Contractor in substantially the form of Exhibit 1, attached to and incorporated by reference in this Resolution (the “**Agreement**”).

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MOBERLY, MISSOURI, AS FOLLOWS, TO WIT:

Section 1: The Mayor is hereby authorized to execute the contract, attached hereto and incorporated herein as Exhibit 1, on behalf of the City of Moberly, Missouri.

Section 2: The City Administrator is authorized to deliver the Agreement with such ministerial changes as the Council may approve with the signature of the Mayor conclusively evidencing such changes and approval.

Section 3: The portions of this Resolution shall be severable. In the event that any paragraph, sentence, clause, phrase, term, or word contained in this Resolution is found by a court of competent jurisdiction to be invalid, the remaining portions of this Resolution are valid, unless the court finds the valid portions of this Resolution are so essential and inseparably connected with and dependent upon the void portion that it cannot be presumed that the Council would have enacted the valid portions without the invalid ones, or unless the court finds that the valid portions standing alone are incomplete and are incapable of being executed in accordance with the legislative intent.

Section 4: This Resolution shall take effect and be in force from and after its passage and adoption by the Council and its signature by the officer presiding at the meeting at which it was passed and adopted.

PASSED AND ADOPTED by the Council of the City of Moberly, Missouri this 21st day of February, 2023.

Presiding Officer at Meeting

ATTEST:

Shannon Hance, City Clerk

EXHIBIT 1**SIDEWALK REPAIR SERVICES AGREEMENT**

THIS SIDEWALK REPAIR SERVICES AGREEMENT (this “**Agreement**”), is made and entered into as of this _____ day of January, 2023 (the “**Effective Date**”), by and among the DOWNTOWN MOBERLY COMMUNITY IMPROVEMENT DISTRICT, a community improvement district and political subdivision of the State of Missouri having a principal office at 101 West Main Street, Moberly, Missouri 65270 (the “**District**”); the CITY OF MOBERLY, MISSOURI, a city of the third class and Missouri municipal corporation having a principal office at 101 West Main Street, Moberly, Missouri 65270 (the “**City**”); and 3 MAT CO., a Missouri Corporation d/b/a PRECISION CONCRETE CUTTING MIDWEST, with a principal address of 16919 Hickory Crest Dr., Wildwood, Missouri 63011 (the “**Contractor**”).

RECITALS

A. The District was formed as a political subdivision of the State of Missouri pursuant to the Community Improvement District Act, sections 67.1401 through 67.1571 of the Revised Statutes of Missouri, as amended (the “**CID Act**”) to undertake, facilitate and promote certain actions, projects and programs designed to revitalize the downtown area of the City (collectively, the “**Revitalization Project**”).

B. The City is the fee owner of certain real property throughout the boundaries of the District which have been identified by the Contractor as trip hazards and are in need of sidewalk repair services. The District, pursuant to Sections 67.1401 through 67.1571 of the Revised Statutes of Missouri, as amended, may exercise the powers to contract for maintenance, and other services to public and private property located within the District.

C. The District and the City are each desirous of facilitating the repair of these sidewalks (the “**Project**”) and to this end the Contractor has agreed to provide certain services based upon a proposal dated October 31, 2022 by the Contractor (the “**Proposal**”), which services are summarized in Exhibit A attached to and incorporated by reference in this Agreement (collectively, and as further detailed in this Agreement, the “**Repair Services**”).

D. Subject to the limitations of this Agreement the District and the City wish to engage the Contractor to provide the Services. all in accordance with and subject to the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the above premises and mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the District, the City, and the Contractor each hereby agrees as follows:

1. Services to be Provided. The Contractor shall undertake at the Contractor’s sole cost and expense to provide all labor, tools, concrete, and equipment necessary to provide the Repair Services as more specifically described in the Proposal and at all the trip hazard locations within the areas of the District identified by Contractor and depicted in the Proposal (Exhibit A, attached hereto and incorporated by reference in this Agreement). The Repair Services shall be performed at all times in a clean, safe, and workmanlike manner including clean-up of the surrounding area as required at each trip hazard location. In performing the Repair Services the Contractor shall not unreasonably block sidewalks or other travel areas and surfaces for a period of time longer than necessary to complete the Repair Services, shall exercise due care, and shall clean up and remove all tools and materials upon completion of the Repair Services. Any damage to private vehicles or to planters, benches, street trees, street furniture, building facades and similar caused in the course of provision by the Contractor of the Repair Services shall be the responsibility of the Contractor and the Contractor shall promptly reimburse the City for any costs incurred by the District or by the City, as applicable, in consequence of any such damages, including without limitation, reasonable repair or replacement costs, as applicable. The Repair Services shall be provided by the Contractor in accordance

with all the provisions of the Proposal, this Agreement and the attached **General Conditions** made a part of this Agreement and incorporated herein by reference, and which General Conditions shall prevail over any conflicting terms that may occur in the Proposal.

2. Compensation. For the provision of the Repair Services as set forth in this agreement, and as outlined in Option 1 on Exhibit A, the City and the District will each pay the Contractor the price of Six Thousand Four Hundred Forty-Nine Dollars and no cents (\$6,449.00 each, for a total contract price of \$12,898.00) for the Repair Services. The District and the City shall pay the Contractor for the Repair Services actually provided, as aforesaid, within not more than thirty (30) days after the City’s receipt of a written invoice from the Contractor therefor. Each such invoice shall identify the number and general location(s) of each trip hazard repaired for which payment is sought. If the District or City contests any invoice or portion thereof, the contested part of the invoice shall not be due until the dispute has been resolved.

3. Time for Performance; Force Majeure. This Agreement shall be effective upon the Effective Date. The Contractor shall commence providing the Repair Services under this Agreement immediately upon execution of this Agreement and shall faithfully and substantially complete the Repair Services not later than five (5) days after the City or District instructs Contractor to proceed (the “**Contract Time**”). It is understood that time is of the essence and that satisfactory completion of the Repair Services within the Contract Time are essential conditions of this Agreement; *provided that* neither the District, the City nor the Contractor shall be considered in breach or default of their respective obligations under this Agreement, and times for performance of obligations hereunder shall be extended on a day-for-day basis, in the event of any delay directly resulting from causes beyond the parties’ reasonable control (“**Force Majeure**”).

4. Notices. Whenever notice or other communication is called for in this Agreement to be given or is otherwise given, such notice shall be in writing addressed to the addressees at the addresses set forth below, and transmitted by any of the following means: (a) personal service; (b) overnight courier; or (c) registered or certified mail, return receipt requested:

- (i) In the case of the District, to:
 - Downtown Moberly Community Improvement District
 - 101 West Reed Street
 - Moberly, Missouri 65270
 - Attention: Chair
 - with a copy to:
 - Cunningham, Vogel & Rost, P.C.
 - 3660 S. Geyer Road, Suite 340
 - St. Louis, Missouri 63127
 - Attention: Lyndee Rodamaker

- (ii) In the case of the City, to:
 - City of Moberly, Missouri
 - 101 West Reed Street – City Hall
 - Moberly, Missouri 65270
 - Attention: City Manager

- (ii) In the case of the Contractor, to:
 - Precision Concrete Cutting Midwest
 - 16919 Hickory Crest Dr.
 - Wildwood, Missouri 63011

or to such other address with respect to either party as that party may, from time to time, designate in writing and forward to the other as provided in this section 10.

5. **Mutual Cooperation.** Each party to this Agreement hereby further agrees and covenants: (i) to allow access to the Properties or any portions thereof at all reasonable times; (ii) to cooperate in good faith with one another in each of the undertakings authorized by this Agreement; (iii) to promptly make and deliver such timely decisions as may be required to permit each of the other parties to perform its obligations under this Agreement; (iv) to take such actions and execute and deliver such further documents and instruments as may be reasonably necessary to facilitate the undertakings authorized by this Agreement and which do not impair the rights of the acting or signing party as they exist under this Agreement; and (v) to otherwise aid and assist each other in carrying out the terms, provisions and intent of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

DOWNTOWN MOBERLY COMMUNITY IMPROVEMENT DISTRICT (the “**District**”)

By: _____
Brian Crane, Chair

ATTEST:

Secretary

CITY OF MOBERLY, MISSOURI (the “**City**”)

By: _____
Jerry Jeffrey, Mayor

ATTEST:

Shannon Hance, City Clerk

3 MAT CO., d/b/a PRECISION CONCRETE
CUTTING MIDWEST, (the “Contractor”)

By: _____
Title:

ATTEST:

GENERAL CONDITIONS

Independent Contractor. The Contractor shall be and operate as an independent Contractor in the performance of this Contract. The Contractor shall have complete charge of the personnel engaged in the performance of the Services, and all persons employed by the Contractor shall be employees of said Contractor and not employees of the City in any respect.

Compliance with Laws. The Contractor shall comply with all applicable City ordinances and other laws and regulations, Federal, State, and any political subdivision thereof, including but not limited to, unemployment and workers' compensation, occupational safety, equal employment and affirmative action and wage and price laws insofar as applicable to the performance of the Contract. Specifically, Contractor shall comply with the following state law requirements:

Work Authorization Program. If the Contract is for services expected to cost more than \$5,000.00, the Contractor shall comply with Section 285.530 RSMo., pertaining to enrollment and participation in a federal work authorization program (as defined therein) and shall provide verification through an affidavit (attached as **Exhibit B**) that the Contractor (1) does not knowingly employ any person who is an unauthorized alien in connection with the Contract and (2) is enrolled in a federal work authorization program and provide documentary proof thereof. The affidavit shall contain the notarized signature of the registered agent, legal representative or corporate officer of the business entity including but not limited to the human resources director or their equivalent.

Proof of Lawful Presence. Section 208.009 RSMo., requires that all applicants *at the time of application* for any contract provided by a local government provide "affirmative proof that the applicant is a citizen or a permanent resident of the United States or is lawfully present in the United States." Contractor's affirmative proof must be established through (i) a Missouri driver's license, (ii) any "documentary evidence recognized by the department of revenue when processing an application for a driver's license," or (iii) "any document issued by the federal government that confirms an alien's lawful presence in the United States." §208.009.3.

Subcontracts. The Contractor shall not subcontract any of the Services to be performed by it hereunder without the express written consent of the City. In addition, this Contract shall not be assigned by the Contractor.

Attorney Fees' and Costs. The Contractor shall reimburse to the City any costs and attorneys' fees that the City may reasonably incur in pursuit of any remedies at law or equity or enforcement of any rights established in this Contract, which may result from the Contractor's breach of the Contract, the Contractor's failure to perform any obligation or requirement contained herein, or the City's enforcement of this Contract.

Indemnification. To the fullest extent permitted by law, the Contractor agrees to defend with counsel selected by the City, and indemnify and hold harmless the City, its officers, engineers, representatives, agents, and employees from and against any and all liabilities, damages, losses, claims, or suits, including costs and attorneys' fees, for or on account of any kind of injury to person, bodily or otherwise, or death, or damage to or destruction of property, or any other circumstances, sustained by the City or others, arising from negligent acts, errors, or omissions of the Contractor, or claims relating thereto, and including but not limited to the City's reliance on or use of the services or products provided by the Contractor under the terms of this Contract. The Contractor shall not be liable for any loss or damage attributable solely to the negligence of the City. Nothing in this Contract shall require the City to indemnify Contractor. To the extent required by law to enforce this provision, Contractor agrees that this indemnification requires Contractor to obtain insurance in amounts specified herein and that Contractor has had the opportunity to recover the costs of such insurance in the Compensation set forth in this Contract.

Insurance. The Contractor shall obtain and maintain during the term of the Services and this Contract comprehensive general liability insurance, comprehensive automobile insurance, and employers liability insurance coverages of at least \$2,000,000 aggregate and \$450,000 per occurrence. Insurance policies providing required coverages shall be with companies licensed to do business in the State of Missouri and rated no less than AA by Best or equivalent. All costs of obtaining and maintaining insurance coverages are included in the Contract Sum and no additional payment will be made therefor by the City.

In addition, the Contractor and all subcontractors shall provide Worker's Compensation Insurance in at least statutory amounts for all workers employed for the Services. Before commencing any Services, the Contractor shall provide to the City certificates of insurance evidencing the issuance and maintenance in force of the coverages required by this paragraph and bearing an endorsement precluding cancellation of or change in coverage without at least thirty (30) days written notice to the City. Any self-insurance or deductible above \$50,000.00 is not permitted. The City may waive any insurance coverages or amounts required to be carried by the Contractor under this paragraph when the City deems such waiver to be in the interest of the public health, safety, and general welfare.

NOTHING HEREIN SHALL BE CONSTRUED AS A WAIVER OF THE CITY'S SOVEREIGN IMMUNITY UNDER SECTION 537.610.1 R.S.MO. OR OTHERWISE. The purpose of the insurance required under this paragraph is to confirm that the Contractor has adequate insurance to cover the Contractor for tort claims that may arise out of the Services. It is not for the purchase of insurance for the City EXCEPT FOR AND ONLY TO THE LIMITED EXTENT OF any claims against the City arising out of the Contractor's Services and based upon one of the two statutory exceptions to sovereign immunity as expressly set forth in Section 537.600.1(1) and (2). To that limited extent, the City shall be named as an additional insured the policy bearing an endorsement that: "The Insurer shall not be liable to make any payment for Loss in connection with any Claim made against the City of Moberly as an additional Insured that is barred by sovereign immunity, and nothing contained in this Policy shall constitute a waiver of the City's sovereign immunity."

Nondisclosure. The Contractor agrees that it will not divulge to third parties without the written consent of the City any information obtained from or through the City in connection with the performance of this Contract. Nothing herein shall preclude disclosure of information by the City.

Changes. No change in this Contract shall be made except in writing executed by all parties prior to the change in Services or terms being performed. The Contractor shall make any and all changes in the Services without invalidating this Contract when specifically ordered to do so in writing by the City. Contractor, prior to the commencement of such changed or revised Services, shall submit promptly to the City, a written cost or credit proposal for such revised Services. If the City and Contractor shall not be able to agree as to the amount, either in consideration of time or money to be allowed or deducted, it shall nevertheless be the duty of Contractor, upon written notice from the City, to immediately proceed with such alteration or change, and Contractor shall be compensated the reasonable value of such Services. **No work or change shall be undertaken or compensated for without prior written authorization from the City.**

Termination. The City shall have the right to terminate this Contract at any time for any reason by giving the Contractor written notice to such effect. The City shall pay to the Contractor in full satisfaction and discharge of all amounts owing to the Contractor under this Contract an amount equal to the cost of all Services performed by the Contractor up to such termination date, less all amounts previously paid to the Contractor on account of the Contract Price. The Contractor

shall submit to the City its statement for the aforesaid amount, in such reasonable detail as the City shall request, within thirty (30) days after such date of termination. The City shall not be liable to the Contractor for any damages on account of such termination for loss of anticipated future profits with respect to the remainder of the Services.

Multi-year contracts; Non-appropriation. Notwithstanding any provision herein to the contrary, the City is obligated only to make the payments set forth in this Contract as may lawfully be made from funds budgeted and appropriated for that purpose during the City's then current fiscal year at the discretion of the City. If no funds are appropriated or otherwise made legally available to make the required payments for this Contract during the next occurring fiscal year (an "**Event of Nonappropriation**"), this Contract will terminate at the end of the then current fiscal year as if terminated expressly. The failure or inability of the City to appropriate funds for this Contract in any subsequent fiscal year shall not be deemed a breach of this Contract by any party. If applicable, this Contract may be annually renewed at each fiscal year by inclusion of specific appropriation for this Contract, from year to year not to exceed the maximum renewal period or term as set forth in the Contract.

Accounting. During the period of this Contract, the Contractor shall maintain books and accounts of its expenses and charges in connection with this Contract in accordance with generally accepted accounting principles and practices. The City shall, at reasonable times, have access to these books and accounts to the extent required to verify all invoices submitted hereunder by the Contractor.

Other Contractors. The City reserves the right to employ other Contractors in connection with the Services.

Request for Proposals. If the City issued a request for proposals in connection with the Services, such request for proposals and the proposal of the Contractor in response thereto are incorporated herein by reference and made a part of this Contract. In case of any conflicts between the request for proposals and the executed Contractor/Services Contract or proposal of the Contractor, the requirements of the City's Request for Proposal and this executed Contractor/Professional Services Contract shall control and supersede unless a change thereto is specifically stated in this Contract.

Project Records and Work Product. The Contractor shall provide the City with copies of all documents pertinent to the Services which shall include, without limitation, reports, correspondence, meeting minutes, and originals of all deliverables. The City shall own all right, title, and interest, including without limitations, all copyrights and intellectual property rights, to all documents and Work Product of the Contractor created in performance of or relating to this Contract. Contractor agrees to take all steps reasonably requested by the City to evidence, maintain, and defend the City's ownership rights in the Work Product.

Site Operations. Where appropriate, the City will arrange for right of entry to any property at the request of the Contractor for the purpose of performing studies, tests, and evaluations in connection with the Services.

Personnel. The Services shall be performed exclusively by the personnel of the Contractor identified in the Contractor's proposal and no other personnel of the Contractor shall perform any of the Services without the express written approval of the City.

Compliance with State Immigration Statutes. As a condition for the award of this Contract, the Contractor shall, by sworn affidavit and provision of documentation, affirm its enrollment and participation in a federal work authorization program with respect to the employees working in connection with the Services. The Contractor shall also sign an affidavit affirming that it does not knowingly employ any person who is an unauthorized alien in connection with the Services. Such affidavits shall be in substantially the form provided in Exhibit B. The Contractor shall not be required to provide these affidavits to the City if such affidavits have been previously provided to the City within the past year. All words in this paragraph shall have the definitions as provided in Section 285.525 R.S.Mo.

Pursuant to Section 208.009 R.S.Mo., the Contractor shall provide at the earlier of submission of any bid or execution of any agreement affirmative proof that the Applicant for the Contractor is a citizen or a permanent resident of the United States or is lawfully present in the United States. The Applicant for the Contractor (or "**Applicant**") shall be the person authorized to prepare, submit, and sign contract documents on behalf of the Contractor and shall be eighteen years of age or older. Such affirmative proof shall include documentary evidence recognized by the Missouri Department of Revenue when processing an application for a driver's license, a Missouri driver's license, as well as any document issued by the federal government that confirms an alien's lawful presence in the United States.

An Applicant who cannot provide the proof required under Section 208.009 R.S.Mo. at the time of submission of any bid may alternatively sign an affidavit under oath, attesting to either United States citizenship or classification by the United States as an alien lawfully admitted for permanent residence. The affidavit shall be on or consistent with forms prepared by the City, which shall be available from the City Clerk if needed. Any Applicant who signed an above-described affidavit must provide proof of lawful presence within the time provided in Subsection 208.009.5 R.S.Mo. for temporary public benefits and failure to provide such proof within such time may result in the City rescinding and voiding any Contract awarded to the Contractor.

Representations. Contractor agrees that it has not relied on any representations or warranties of the City, oral or written, other than expressly identified in this Contract. The parties agree the Contract represents the entire agreement between the parties.

Governing/Choice of Law. This Contract shall be governed by and construed and interpreted in accordance with the internal laws of the State of Missouri, without regard to its principles of conflict of laws.

Counterparts. This Contract may be executed in one or more counterparts each of which shall be deemed an original and all of which shall constitute one and the same agreement.

EXHIBIT A



Sidewalk Trip Hazard Repair Proposal: The City of Moberly, MO

Downtown Phase 1

101 West Reed Street
Moberly, MO 65270

Prepared For: Tom Sanders | Public Works Director | (660) 269-8705 x2044 | tsanders@cityofmoberly.com
Prepared By: Mitchell Suppes | C: 7852120151 | O: 913-851-2004 | msuppes@pccmidwest.com | pccmidwest.com

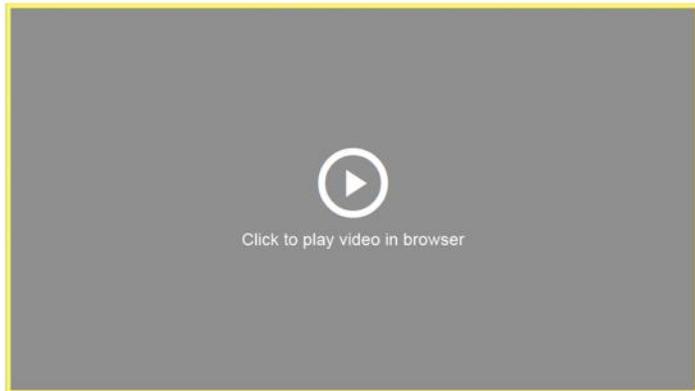
The information in this summary is confidential and is to be used only by the intended recipient and Precision Concrete Cutting in evaluating the project. Any copying or unauthorized disclosure of this information is prohibited.

October 31, 2022

ABOUT PRECISION CONCRETE CUTTING

Precision Concrete Cutting is a full-service hazard removal contractor, helping you to meet ADA compliance at a fraction of the cost.

Using our patented technology, PCC is able to repair trip hazards as small as 1/4 inch to as high as 2 inches. Our customers find that our proprietary service is most effective in delivering ADA compliance for 25-30% of traditional trip hazard removal methods, including demolish and replace.



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EXECUTIVE SUMMARY



Cost Savings

We'll repair your sidewalks for 60-80% less than sidewalk replacement, which means you can do more for your community for less.



A.D.A. Compliance

Patented technology that brings sidewalks into ADA compliance.



Safe

Decrease liability on your pedestrian walkways



Clean

Our patented containment system captures dust and debris to bring you the cleanest process available. PCC saw cutting method is a dry process (no concrete slurry).



Low Impact

Efficient systems with an average removal time of 10 minutes, no sidewalk closures.



Detailed Reporting

We track our jobs with honesty and integrity. Invoices show measurements, locations and cost for each hazard.



Full-Service Contractor

Survey services, cost estimates, data integration, trained service technicians and invoicing.



Environmental Impact by City of Moberly MO:
 As a member of the U.S. Green Building Council (USGBC) we are proud of the fact that we reduce the impact to landfills and the environment as a result of our service. Removing and replacing **108** panels would result in approximately **261,954 pounds** or **131 tons** of concrete being removed. Using Precision Concrete Cutting for **108** trip hazards results in **324 pounds** of concrete removed and recycled.



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RISK ASSESSMENT: CITY OF MOBERLY MO

The specifications in this survey included trip hazards measured to the ADA standard of +0.25" and above. All hazards will be cut to a 1:12 slope as required by the March 2012 ADA guidelines.

Map Index

- Trip Hazard
- Crack Cut



PROJECT TOTALS: 108 TRIP & FALL HAZARDS: (691 LF) AVERAGE HAZARD HEIGHT: .6" AVERAGE HAZARD LENGTH: 5 FT



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SURVEYOR OBSERVATIONS



Included #2:
Previous Grind. PCC will repair to ADA specifications and remove trip hazard that remains.



Included #54:
Any plans on Demolish and Replace?
PCC will repair hazard. Panel is deteriorating in corner.
Customer Input Requested



Included #6:
PCC will repair hazard along crack.



Included #59:
Large crack hazard. 28LF



Included #30:
PCC will repair hazard. Small hole will need patched. PCC does NOT patch.



Included #72:
38LF Hazard
Customer Input Requested



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SURVEYOR OBSERVATIONS



Included #76:
Hazard on newer concrete.
Customer Input Requested



Included #101:
Previous grind that PCC will repair.



Included #96:
PCC will repair hazard all the way up to building.



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PROJECT PRICING

OPTION 1 (ADA STD)

Includes Hazards + .25" & Higher

- ✓ Includes the removal of **108** trip hazards measured to ADA standard of +.25" and higher
- ✓ Includes slope rating of 1:12/ All repairs meet/exceed March 2012 ADA Spec's
- ✓ Includes concrete waste removal
- ✓ Includes use of **dust abatement system**

\$12,898

OPTION 2 (NON-ADA STD)

Includes ONLY Hazards .5" & Higher

- ✓ Includes the removal of **78** trip hazards measured to .5" and higher
- ✓ Includes slope rating of 1:12/ All repairs meet/exceed March 2012 ADA Spec's
- ✓ Includes concrete waste removal
- ✓ Includes use of **dust abatement system**

\$10,923

<input type="checkbox"/> Option 1	\$12,898
<input type="checkbox"/> Option 2	\$10,923
Total	\$0

INITIALS
Tom Sanders



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COST ANALYSIS

Estimated cost of D&R: \$74,088



Based on an average panel size of **7 x 7** and an estimated replacement cost of **\$14.00 per sq. ft.** (vs. **\$2.44** incorporating the PCC method), we estimate the cost to *demolish and replace* (D&R) a minimum of **108** sidewalk panels approx. **5,292** square feet is **\$74,088**.

Total cost using Precision Concrete Cutting is **\$12,898** an estimated savings of **\$61,190**.

PROJECT SUMMARY

Total trip hazard repairs:	108
Repair by Demolish/Replace (D&R):	\$74,088
Repair with PCC services:	\$12,898 (17% cost of D&R)
Cost Savings with PCC:	\$61,190 (83% savings)

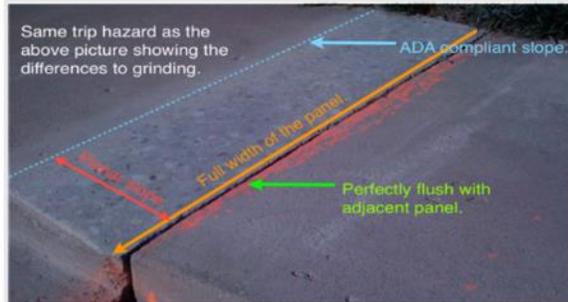


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WHY WE DON'T GRIND

The cost savings compared to grinding is important, but the biggest contrast to grinding is quality, aesthetics and ADA compliance.

- Grinding often damages the concrete (breaks edges, knocks out aggregate, scars adjacent panels, and creates micro cracks).
- Often unsightly (leaves a rough, uneven scarring)
- Does not comply with the ADA slope requirements
- Has no cost advantage
- Unable to remove hazards next to objects
- Hard to use on small trip hazards (under 3/8") and larger trip hazards (over 1 inch)
- Very slow process and generates lots of dust



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PRECISION CONCRETE CUTTING REPAIRS



BEFORE



BEFORE



AFTER



AFTER



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NEXT STEPS

This proposal provides a fixed price, which will not be exceeded given the scope of work specified, and is based on:

1. Survey conducted on **10/27/2022**.
2. Customer may review trip hazards included in this proposal by locating survey numbers that have been placed on property panels by PCC survey team (see [Risk Assessment](#) for hazard locations).
3. Survey includes trip hazards measured to **the ADA standard of +0.25" and higher**.
4. Your final inventory of repairs may vary from this estimate. PCCMW may not complete a repair(s) (Excluded Repair) because; a hazard's actual measurement at the time of repair exceeds approved customer specifications, and/or in the crew leader's judgment, our repair attempt would cause further damage to the concrete slab or be insufficient to satisfactorily remove the existing hazard and/or mitigate its potential liability. Such excluded hazards, if any, will be left "as found" and will require customer's alternative remedy. All "Excluded Repairs" included on the original survey will be fully credited to the customer on the final invoice.
5. At least 30 minutes prior to the crew's scheduled departure, customer (or designee) agrees to have inspected and either accepted all repairs as completed or determined suitable adjustment(s) (if any) as may be required. The undersigned acknowledges the above explanation of our estimate of work and that he/she is legally authorized to engage Precision Concrete Cutting Midwest Corp to deliver designated work, as witnessed by attending an on-site demonstration or has seen a sample photo of sample concrete cut.
6. Estimated Project Completion: **4 days**
7. Quote is valid for 60 days from survey date.

Preferred method of payment:

Cheque

ACH

Credit Card

PO Number:

 SIGNATURE
Mitchell Suppes

PCC Midwest
Mitchell Suppes, Project Manager

 SIGNATURE
Tom Sanders

City of Moberly MO
Tom Sanders.



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City of Moberly City Council Agenda Summary

Agenda Number: _____

WS #17.

Department: Public Works

Date: February 6, 2023

Agenda Item: Discussion regarding Mid-Am wanting semi-truck stacking in the right-of-way of Omar Bradley Dr.

Summary: Rich Knabel has requested a Semi-Stacking area in the R/W adjacent to the Mid-Am facility. This is typically not allowed as the r/w are a corridor for utilities. As this is an industrial park, and all of the lots have significantly larger frontages, there is not a ditch or drainage impact in the location requested, however there are various utilities in the r/w, including a City water line/fixtures.

Staff has reviewed it and have made the following requests for the area, in the event that council would approve the request.

1. Permittee shall provide plans and specifications for the proposed stacking area, including, but not limited to dimensions, preparation of site, materials, specification and include how it would be tied into the existing street.
2. Permittee shall contact utilities to bring valve boxes and hydrant to the new elevation/location.
3. Repair/expenses for damages experienced by utility assets within this paved section of R/W are the responsibility of the permittee*
4. Future repairs/reconstruction & maintenance of the stacking area will be the responsibility of the permittee.
5. In the event that it is no longer needed, used or maintained, it shall be removed, and curb restored at the permittees expense.

*The various utility companies may have to cut the concrete for future repairs, utilities wanted to clarify that they various utility companies will complete their repairs and subsurface repairs, however the repair of the concrete will be the responsibility of the permittee.

Recommended Action: Bring forward to the regular February 21, 2023 City Council meeting for final approval.

Fund Name: N/A

Account Number: N/A

Available Budget \$: N/A

ATTACHMENTS:		Roll Call	Aye	Nay
___ Memo	___ Council Minutes	Mayor		
___ Staff Report	___ Proposed Ordinance	M___ S___ Jeffrey	___	___
___ Correspondence	___ Proposed Resolution			
___ Bid Tabulation	___ Attorney's Report	Council Member		
___ P/C Recommendation	___ Petition	M___ S___ Brubaker	___	___
___ P/C Minutes	___ Contract	M___ S___ Kimmons	___	___
___ Application	___ Budget Amendment	M___ S___ Kyser	___	___
___ Citizen	___ Legal Notice	M___ S___ Lucas	___	___
___ Consultant Report	<u>x</u> Other _____		Passed	Failed

REVOCABLE LICENSE FOR USE OF PUBLIC RIGHT-OF-WAY

THIS REVOCABLE LICENSE FOR USE OF PUBLIC RIGHT-OF-WAY is granted this ____ day of _____, 2023, (the "Effective Date") by the City of Moberly, Missouri, a statutory third class city, ("City"), whose address is 101 West Reed Street, Moberly, Missouri 65270, to _____, ("Licensee") whose address is _____.

WHEREAS, City owns the right-of-way which is commonly known and/or described as the right-of-way at 1615 Omar Bradley Industrial Dr. (the "Licensed Premises");

WHEREAS, Licensee desires to construct a paved bump out in the Licensed Premises (the "Improvement"). The Improvement and its exact location within the Licensed Premises are depicted on Exhibit A attached hereto and incorporated herein by this reference;

WHEREAS, pursuant to the Moberly City Code and the laws of the State of Missouri, the City is vested with power and authority over the use of municipally owned streets, rights-of-way and other public places;

WHEREAS, the City is willing to grant a revocable license to Licensee to allow Licensee to install and use the Improvement as depicted in Exhibit A with certain conditions and stipulations; and

WHEREAS, the intent of this License is to authorize on a temporary and revocable basis, the installation and operation of the Improvement within the Licensed Premises without cost or liability to the City.

LICENSE

1. Grant of Revocable License.

The City hereby grants to Licensee a non-exclusive, temporary and revocable authorization (the "License") to install and use the Improvement in the Licensed Premises provided, however, that as conditions to the License, the Licensee shall install and maintain the Improvement only within the boundaries of the area depicted on Exhibit A.

The rights granted under this License are expressly subject to the rights of the public and any rights granted previously by the City to any person. The City may enforce this License either by seeking damages or by specific performance or through any other legal or equitable remedy available to the City.

2. Design, Installation, Operation and Maintenance.

a. The Licensee shall pay all costs of design, installation, operation and maintenance of the Improvement. Upon revocation of the License as provided herein and upon City's demand, Licensee shall pay all costs and perform all removal of the Improvement from the Licensed Premises and, as applicable, shall pay all costs of and be responsible for returning the land surface to substantially the same condition that it is on the Effective Date.

b. The License shall not operate or be construed to abridge, limit or restrict the City in exercising its right to make full use of the Licensed Premises encroached upon as public thoroughfares, nor shall it operate to restrict utility companies or any other Licensees in exercising their rights to construct, remove, operate and maintain their installations within the Licensed Premises.

c. Licensee hereby assumes full responsibility for any and all damages incurred to public facilities, utilities or other private improvements located within the Licensed Premises due to activities authorized by this License.

d. Licensee shall cooperate with City officials in the installation, removal, replacement or alteration of the Improvement and shall maintain the Improvement in a good and attractive condition during the term of the License.

3. **Repair of Damages.**

Licensee shall promptly repair all damage to the Licensed Premises caused by its activities. If such damage poses a threat to health, safety or welfare of the public or individuals, the City may cause repairs to be made at Licensees' expense unless the Licensee makes such repairs upon the City's request.

4. **Term.**

This License shall commence on the Effective Date and shall terminate on such date as the City may revoke this License, or upon Licensee's request so long as Licensee removes all Improvements and returns the Licensed Premises to substantially similar condition as that prior to installation of the Improvement.

5. **Revocation.**

a. In addition to, and including, the termination triggers mentioned in Section 4, the City may also revoke this License upon thirty (30) days' written notice to Licensee and upon the occurrence of any one or more of the following events:

(i) Breach of this License by Licensee, by failing to abide by any of the conditions upon which this License was granted.

(ii) The failure by Licensee to maintain the Improvement in a good and attractive condition, after Licensee has failed to cure such breach for a period of thirty (30) days from receipt of written notice of such breach by Licensee from City.

(iii) A unilateral decision by the City Council or the City Manager that the Licensed Premises is desired or beneficial for any purpose.

b. Upon revocation, Licensee shall, at Licensee's sole cost, remove the Improvement and restore the Licensed Premises to substantially the same condition that it is in on the Effective Date.

c. Upon revocation, this License shall terminate, be deemed null and void and of no further force and effect.

d. In the event that Licensee fails to remove the Improvement by the 30th day after the City delivers notice of revocation, the City may remove or cause the Improvement to be removed. The City

may collect the cost of removal from the Licensee and Licensee agrees to pay such cost promptly upon written demand therefore.

6. Notice.

Every notice required or permitted hereunder shall be in writing and shall be deemed to have been given when personally delivered by hand, or upon delivery when sent by overnight mail, to the party's address set forth in the introductory paragraph of this License or at such other address as a party may designate, in writing, to the other party.

7. Indemnification.

The Licensee expressly agrees to, and shall, indemnify and hold harmless the City and any of its officers, agents, elected officials or employees from any and all claims, demands, damages, liability, or court awards, including costs and attorneys' fees that are incurred by the City or that may be awarded as a result of any loss, injury or damage sustained or claimed to be sustained by anyone, including but not limited to, any person, in connection with or arising out of any act, omission, error, mistake, negligence, or other fault of the Licensee or any of such Licensee's agents, partners, licensees, sub-licensees, or lessees.

8. Conditions on Use.

City agrees to be responsible for bringing valve boxes and hydrant to the new elevation of the Improvement. Following any water line/hydrant repair event, the City will be responsible for replacement of the subsurface but not responsible for concrete restoration which shall be the sole responsibility of the Licensee. Repair expenses for damages experienced by city utilities within this newly paved area of the Licensed Premises are the responsibility of the Licensee. Repair and maintenance of the off-street expansion will be the responsibility of the adjacent property owner.

9. Miscellaneous Provisions.

a. Waiver of Breach. A waiver by any party to this License of the breach of any term or provision of this License shall not operate or be constructed as a waiver of any subsequent breach by either party.

b. Assignment. This License may not be assigned by the Licensee to any other party unless agreed to in writing by the City.

c. No Third Party Beneficiaries. Nothing contained in this License is intended to or shall create a contractual relationship with, cause of action in favor of, or claim for relief for, any third party.

d. Governing Law, Venue, and Enforcement. This License shall be governed by and interpreted according to the law of the State of Missouri. Venue for any action arising under this License shall be in the Circuit Court of Randolph County, Missouri.

e. No Waiver of Immunity. Nothing in this License is intended to waive any protection afforded to the City by the statutes or common law of the State of Missouri for sovereign immunity.

CITY OF MOBERLY, MISSOURI

By: Brain Crane, City Manager

ATTEST:

Shannon Hance, MRCC, City Clerk

LICENSEE

By:

