NOTICE OF MEETING AND CITY COUNCIL AGENDA[i]

MONDAY, DECEMBER 19, 2022 – 6:00 P.M.

CITY COUNCIL CHAMBERS ~ JOHN G. CHRISTY MUNICIPAL BUILDING ~ 320 E. MCCARTY STREET

TO JOIN VIRTUALLY:

https://jeffersoncity.webex.com/jeffersoncity/j.php?MTID=m9a4b7a2e634f4857694bc96f2c16d35a

CALL-IN PARTICIPATION AVAILABLE AT: 1-404-397-1516
MEETING NUMBER: 2488 677 5239 **MEETING PASSWORD:** 1234

TENTATIVE AGENDA

PRAYER – Councilmember Kemna

PLEDGE OF ALLEGIANCE

1. CALL TO ORDER

2. ROLL CALL

3. ADOPTION OF AGENDA

4. MISCELLANEOUS AGENDA ITEMS

5. PUBLIC HEARINGS

a. Approving Development Plans Under Chapter 353 RSMo for the 611 Jefferson St., 320 Miller St., and 1226 Adams St. Redevelopment Areas (Fitzwater) Staff: Ryan Moehlman

i. Pending Bill 2022-085 (Fitzwater) Staff: Ryan Moehlman

6. APPOINTMENTS BY THE MAYOR

a. Recommended Appointments to the Following Boards and Commissions

Board or Commission	Recommended Appointment	New Term Expires	Term Full/Partial
Convention & Visitors Bureau	Brian Bernskoetter	Dec 2025	Full
	Kurtis Mankin	Dec 2025	Full
	Brian Rhoton	Dec 2025	Full
Historic Preservation Commission	Brad Schaefer	Dec 2025	Full
Human Relations Commission	Kimberley Woodruff	Dec 2025	Full
	Jane Barnes	Dec 2025	Full
Planning & Zoning Commission	Jacob Robinett	May 2026	Partial
	Sara Michael	May 2023	Partial ALT

7. PRESENTATIONS FROM STAFF, CONSULTANTS & INVITED GUESTS

8. ANNOUNCEMENTS BY MAYOR, COUNCIL, AND STAFF

a. Council Committee Meetings (Check www.jeffersoncitymo.gov meeting calendar for dates, times locations, and agendas):

i. Administration
ii. Finance
iii. Public Safety
iv. Public Works & Planning

9. LINCOLN UNIVERSITY STUDENT REPRESENTATIVE UPDATE

10. PRESENTATIONS FROM THE GALLERY ON SPECIFIC BILLS OR RESOLUTIONS

(All individuals will be limited to 5 minutes without exception. All presentations shall be made from the podium unless other accommodation is requested and granted.)

11. CONSENT AGENDA

a. Minutes of City Council Meetings: December 5, 2022

b. Authorizing $30,000 Historic Preservation Fund Grant Acceptance from Department of Natural Resources, State Historic Preservation Office to Complete Design Guidelines

c. Approving the Use of a Sourcewell Contract to Purchase a Street Sweeper in the Amount of $260,050.45

d. Approving a Change Order with DoubleMap to Extend Contract by One Year for JeffTran Software, in the Amount of $45,330

e. Declaring Certain City-owned Personal Property Surplus and Authorizes the Disposition by Sale through Auction – Public Works OTC Engine Cherry Picker

f. Approving the Use of a Sourcewell Contract as a Cooperative Procurement Contract to Lease a Kubota Tractor for JC Parks

g. Authorizing a $25,372 Change Order with Mid-Missouri Earth Movers for the Demolition of the Dangerous Structure Located at 114 Jackson St.

12. BILLS INTRODUCED

✓ a. 2022-086 Authorizing a Supplemental Appropriation to the Jefferson City Police Department Amending the 2022-2023 Annual Budget, and Authorizing $29,750 Expenditure of Drug Forfeiture Justice Funds, and Awarding $29,750 Contract to International Assoc. of Chiefs of Police for Promotional Assessment Services (Schreiber) Staff: Eric Wilde

b. 2022-087 Authorizing a $254,000 Contract with Prost Builders for the Police Department Elevator Modernization at 401 Monroe St. (Schreiber) Staff: Eric Wilde

c. 2022-088 Authorizing an $80,336 Engineering Design Contract with Bartlett & West, Inc. For the Basin 10 – Westview Sanitary Sewer Upgrade (Fitzwater) Staff: Matt Morasch

d. 2022-089 Authorizing Submittal of 3% Retail Sales Tax on Non-medical, Adult Use, Marijuana Sold in the City to the Voters on the April 4, 2023 Ballot (Wiseman) Staff: Ryan Moehlman

13. BILLS PENDING

a. 2022-082 Authorizing Grant Amendment #2 between the Missouri Highways and Transportation Commission and the City for the Purpose of an Apron Maintenance Project for the Jefferson City Memorial Airport (Fitzwater) Staff: Matt Morasch

b. 2022-084 Approving a Plan for an Industrial Development Project for JCMG and Authorizing the City to Issue Taxable Industrial Development Revenue Bonds (Fitzwater) Staff: Ryan Moehlman

c. 2022-085 Taken Up Under 5(a.)

14. INFORMAL CALENDAR

15. RESOLUTIONS

16. PRESENTATIONS FROM THE GALLERY ON OTHER TOPICS – (All individuals will be limited to 3 minutes without exception. All presentations shall be made from the podium unless other accommodation is requested and granted.)

17. COUNCIL AND STAFF DISCUSSION OF PRESENTATION TOPICS

18. NEW BUSINESS

19. APPROVAL OF DECEMBER 5, 2022 CLOSED SESSION MINUTES

20. CLOSED SESSION

a. Go into Closed Session - Pursuant to Sec. 610.021 of the Revised Statutes of Missouri, the Chair will entertain a motion to go into Closed Session to discuss the following:

i. Real Estate [Sec. 610.021(2)]

21. UNFINISHED BUSINESS

22. ADJOURN

[i] Individuals should contact the ADA Coordinator at (573) 634-6570 to request accommodations or alternative formats as required under the Americans with Disabilities Act. Please allow three business days to process the request.

NOTICE OF MEETING AND CITY COUNCIL AGENDA[i]

CITY COUNCIL WORK SESSION

City of Jefferson, Missouri
320 E. McCarty St.
City Council Chambers

MONDAY, DECEMBER 19, 2022

5:45 P.M.

AGENDA

1. Discussion of December 19, 2022 City Council Meeting Agenda Items
2. Adjournment

[i] Individuals should contact the ADA Coordinator at (573) 634-6570 to request accommodations or alternative formats as required under the Americans with Disabilities Act. Please allow three business days to process the request.

BILL SUMMARY

BILL NO: 2022-085

SPONSOR: Councilmember Fitzwater

SUBJECT: Approving Development Plans Under Chapter 353 RSMo. for the 611 Jefferson, 320 Miller, and 1226 Adams Redevelopment Areas

DATE INTRODUCED: December 5, 2022

DEPARTMENT DIRECTOR(S): _____

CITY ADMINISTRATOR: _____

Staff Recommendation: Approve.

Summary: Approving Development Plans for redevelopment projects in each of the 611 Jefferson Redevelopment Area, the 320 Miller Redevelopment Area, and the 1226 Adams Redevelopment Area

Origin of Request: Jefferson Redevelopment Corporation

Department Responsible: Law

PERSON RESPONSIBLE: RYAN MOEHLMAN

Background Information: This Ordinance approves Development Plans, each including a Blight Analysis and a Redevelopment Project which contemplates the exercise of the power of eminent domain to acquire real estate, within the 611 Jefferson Redevelopment Area, the 320 Miller Redevelopment Area, and the 1226 Adams Redevelopment Area. Approval of these plans is a statutory pre-requisite to the acquisition of properties in the Redevelopment Areas using the power of eminent domain under Chapter 353 RSMo. All of the property to be acquired under these Development Plans are currently owned by Barbara Buescher.

Fiscal Information: None. It is expected that the special tax liens and personal judgments against the owner will offset the purchase prices of these properties.

BILL NO. 2022-085

SPONSORED BY Councilmember Fitzwater

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF JEFFERSON, MISSOURI, FINDING THAT THE AREAS DESCRIBED AS THE 611 JEFFERSON REDEVELOPMENT AREA, 320 MILLER REDEVELOPMENT AREA, AND THE 1226 ADAMS REDEVELOPMENT AREA ARE EACH A BLIGHTED AREA AS DEFINED IN CHAPTER 353 OF THE REVISED STATUTES OF MISSOURI, AS AMENDED AND THAT THE REDEVELOPMENT OF SUCH AREAS IS NECESSARY AND IN THE PUBLIC INTEREST; APPROVING DEVELOPMENT PLANS FOR SUCH AREAS; APPROVING THE EXERCISE OF THE POWER OF EMINENT DOMAIN; AND PROVIDING FURTHER AUTHORITY.

WHEREAS, a development plan entitled "Development Plan – 611 Jefferson Redevelopment Project," a copy of which is attached to and incorporated by reference in this Ordinance as Exhibit A (the "Development Plan"), has been prepared in accordance with the requirements of the Urban Redevelopment Corporations Law, Chapter 353 RSMo., as amended ("Chapter 353") and has been submitted by the Jefferson City Redevelopment Corporation (the "353 Corporation") to the Council of the City of Jefferson (the "Council") for consideration; and

WHEREAS, a development plan entitled "Development Plan – 320 Miller Redevelopment Project," a copy of which is attached to and incorporated by reference in this Ordinance as Exhibit B (the "Development Plan"), has been prepared in accordance with the requirements of the Urban Redevelopment Corporations Law, Chapter 353 RSMo., as amended ("Chapter 353") and has been submitted by the Jefferson City Redevelopment Corporation (the "353 Corporation") to the Council of the City of Jefferson (the "Council") for consideration; and

WHEREAS, a development plan entitled "Development Plan – 1226 Adams Redevelopment Project," a copy of which is attached to and incorporated by reference in this Ordinance as Exhibit C (the "Development Plan"), has been prepared in accordance with the requirements of the Urban Redevelopment Corporations Law, Chapter 353 RSMo., as amended ("Chapter 353") and has been submitted by the Jefferson City Redevelopment Corporation (the "353 Corporation") to the Council of the City of Jefferson (the "Council") for consideration; and

WHEREAS, by reason of age, obsolescence, inadequate or outmoded design or physical deterioration, each of the Redevelopment Areas described in the above-described Development Plans has become an economic and social liability, and that such conditions are conducive to ill health, the transmission of disease, crime, and/or the inability to pay reasonable taxes; and

WHEREAS, each of the Development Plans contains an analysis of blighting factors in each of the respective Redevelopment Areas which have been prepared to assist the Council in determining whether the respective Redevelopment Areas are each a "blighted area" within the meaning of Chapter 353 (the "Blight Analyses"); and

WHEREAS, the Development Plans each describe and call for a redevelopment project (the "Redevelopment Projects") to be undertaken by the 353 Corporation, its successors and assigns which includes the use of the power of eminent domain to acquire real estate as provided under Chapter 353; and

WHEREAS, in accordance with the requirements of Chapter 353, the City has held a duly noticed public hearing on December 19, 2022 at 6:00 p.m. at the Jefferson City Hall, 320 E. McCarty Street, Jefferson City, MO 65101, (the "Public Hearing") for the stimulation of comment concerning the Development Plans, the Blight Analyses, the Redevelopment Projects, and the proposed exercise of the power of eminent domain; and

WHEREAS, following the closure of the Public Hearing and upon consideration of the testimony presented, the Council has determined that it is necessary and in the interest of the public health, safety, morals, and general welfare of the people of the City that the Council take the appropriate official action respecting the findings and determinations set forth in the Blight Analyses and the approval of the Development Plans, the Redevelopment Projects, and the proposed exercise of the power of eminent domain.

NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY OF JEFFERSON, MISSOURI AS FOLLOWS:

Section 1. Upon due consideration of the Blight Analysis and the testimony presented at the Public Hearing, it is hereby found, determined, and declared that the 611 Jefferson Redevelopment Area constitutes a "blighted area" as that term is used and defined in Chapter 353. Furthermore, the Blight Analysis stands as

substantial evidence that supports a determination that the 611 Jefferson Redevelopment Area is area is blighted, substandard, or unsanitary.

Section 2. It is hereby further found, determined, and declared that the redevelopment of the 611 Jefferson Redevelopment Area and the implementation of the Redevelopment Project as provided in the Development Plan and pursuant to Chapter 353 is necessary and in the interest of the public health, safety, morals, and general welfare of the people of the City.

Section 3. The Development Plan, in substantially the form of Exhibit A, having been duly reviewed and considered, is hereby approved.

Section 4. The exercise of the power of the of eminent domain is hereby authorized to acquire real estate within the 611 Jefferson Redevelopment Area in order to carry out the Redevelopment Project, provided that this authorization shall expire five (5) years after the effective date of this ordinance.

Section 5. Upon due consideration of the Blight Analysis and the testimony presented at the Public Hearing, it is hereby found, determined, and declared that the 320 Miller Redevelopment Area constitutes a “blighted area” as that term is used and defined in Chapter 353. Furthermore, the Blight Analysis stands as substantial evidence that supports a determination that the 320 Miller Redevelopment Area is area is blighted, substandard, or unsanitary.

Section 6. It is hereby further found, determined, and declared that the redevelopment of the 320 Miller Redevelopment Area and the implementation of the Redevelopment Project as provided in the Development Plan and pursuant to Chapter 353 is necessary and in the interest of the public health, safety, morals, and general welfare of the people of the City.

Section 7. The Development Plan, in substantially the form of Exhibit B, having been duly reviewed and considered, is hereby approved.

Section 8. The exercise of the power of the of eminent domain is hereby authorized to acquire real estate within the 320 Miller Redevelopment Area in order to carry out the Redevelopment Project, provided that this authorization shall expire five (5) years after the effective date of this ordinance.

Section 9. Upon due consideration of the Blight Analysis and the testimony presented at the Public Hearing, it is hereby found, determined, and declared that the 1226 Adams Redevelopment Area constitutes a “blighted area” as that term is used and defined in Chapter 353. Furthermore, the Blight Analysis stands as substantial evidence that supports a determination that the 1226 Adams Redevelopment Area is area is blighted, substandard, or unsanitary.

Section 10. It is hereby further found, determined, and declared that the redevelopment of the 1226 Adams Redevelopment Area and the implementation of the Redevelopment Project as provided in the Development Plan and pursuant to Chapter 353 is necessary and in the interest of the public health, safety, morals, and general welfare of the people of the City.

Section 11. The Development Plan, in substantially the form of Exhibit C, having been duly reviewed and considered, is hereby approved.

Section 12. The exercise of the power of the of eminent domain is hereby authorized to acquire real estate within the 1226 Adams Redevelopment Area in order to carry out the Redevelopment Project, provided that this authorization shall expire five (5) years after the effective date of this ordinance.

Section 13. The Mayor, City Administrator, City Finance Director, City Attorney, and City Clerk are hereby each further authorized to take any and all actions as may be deemed necessary or convenient to carry out and comply with the intent of this Ordinance and with the implementation of the Development Plan and the Redevelopment Project, and to execute and deliver for and on behalf of the City all certificates, instruments, agreements, or other documents as may be necessary, desirable, convenient, or proper to carry out the matters herein authorized.

Section 14. 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 portions 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 15. This ordinance shall be in full force and effect from and after its passage and approval.

Passed: _____

_____
Presiding Officer

ATTEST:

_____
City Clerk

Approved: _____

_____
Mayor Carrie Tergin

APPROVED AS TO FORM:

_____
City Attorney

EXHIBIT A

Development Plan
611 Jefferson Redevelopment Project
Jefferson City, Missouri

Prepared for

The City Council of the City of Jefferson City, Missouri

on behalf of

Jefferson Redevelopment Corporation



December 5, 2022

Development Plan
611 Jefferson Redevelopment Project

City of Jefferson City, Missouri
Jefferson Redevelopment Corporation

Introduction

This Development Plan (this "**Plan**") sets forth a program of redevelopment intended to eliminate or mitigate certain factors which cause an property commonly described as 611 Jefferson St. in Jefferson City, Missouri, and described in **Exhibit A** and depicted on **Exhibit B**, both attached to and incorporated in this Plan by reference (the "**Redevelopment Area**"), to constitute a "blighted area," as that term is used and defined in the Urban Redevelopment Corporations Law, Chapter 353 of the Revised Statutes of Missouri, as amended ("**Chapter 353**"). A study entitled "Study of Blighting Factors within Redevelopment Area" chronicling conditions of blight in the Redevelopment Area (the "**Blight Analysis**") has been performed and has concluded that evidence of physical, social and economic conditions of blight exist in the Redevelopment Area. A copy of the Blight Analysis is attached as **Exhibit C** and is incorporated in this Plan by reference and sets forth the factors which support this determination.

The Redevelopment Area encompasses a single property commonly described as 611 Jefferson St. in Jefferson City. The lot at issue is currently owned by Barbara Buescher (the "**Property Owner**"). The property is located in a mixed-use area of the City making it ideal for residential or commercial uses, or a combination thereof. The single building has been declared to be a "dangerous building" under the City Code. The costs of removal or rehabilitation of the structure on the property within the Redevelopment Area and existing tax liens held by both the City and County make the property undevelopable despite its locational advantages. To address the blighting factors present in the Redevelopment Area the Jefferson City Redevelopment Corporation (the "**353 Corporation**") has determined that commercial or residential uses be sought and has proposed this Plan, prepared in accordance with Chapter 353, and procedural ordinances of the City governing consideration of redevelopment proposals, which calls for the acquisition of real property and the potential grant of limited real property tax abatement to induce redevelopment and preservation of the Redevelopment Area.

Chapter 353 Provisions and Requirements

Chapter 353 as a redevelopment tool is available to all Missouri cities regardless of size. Chapter 353 encourages redevelopment by providing for real property tax abatement for properties within designated redevelopment areas. Under Chapter 353, real property acquired by an Urban Redevelopment Corporation (as that term is used in Chapter 353) and used in accordance with an approved redevelopment plan may receive tax relief in the form of partial real property tax abatement for a period of up to twenty-five years. Taxation of personal property remains unaffected.

Before authorizing a redevelopment project, and granting property tax abatement, the

governing body of a city must schedule and hold a public hearing, notify affected taxing districts in writing, and provide to the taxing districts a written statement identifying the estimated impact of the proposed property tax abatement. Following the public hearing, the city may approve the project and the tax abatement by ordinance. The ordinance must set the time for acquisition of property by the Urban Redevelopment Corporation and for expiration of the development rights granted.

Redevelopment Objectives

The principal objectives of this Plan are the reduction or elimination of blighted conditions within the Redevelopment Area and the improvement of the site to encourage redevelopment, which will in turn result in productive use and an enhanced capacity to pay reasonable taxes. The dangerous conditions of the existing structure on the property within the Redevelopment Area creates a higher cost of doing business on the property and renders the lot potentially economically unviable.

The continued existence of the blighted conditions has and will have a negative economic impact on the rest of the Southside/Old Munichburg area. Dangerous, unoccupied buildings have the tendency to reduce property values for an entire neighborhood, thus magnifying the property tax loss for the entire surrounding area. Therefore, this plan is designed to make redevelopment of Redevelopment Area viable.

Description of the Redevelopment Project

A. Redevelopment Project Activities

The Redevelopment Project envisions the rehabilitation of the structure at 611 Jefferson St. to be paid for by private funding. The main initial activity under this Redevelopment is the acquisition the real estate in the Redevelopment Area. After acquiring all necessary real estate in the area, the City and 353 Corporation will undergo a competitive RFP process in which the real estate will be conveyed to a private developer who, in the opinion of the City and 353 Corporation, have proposed the plan for redevelopment of the Redevelopment Area that will best serve the health, safety, and general welfare of the City and the Redevelopment Area and are best qualified to execute the proposed redevelopment project. The selected developer will then carry out its redevelopment project(s) under an appropriate Redevelopment Agreement and may or may not utilize tax abatement incentives available under Chapter 353.

Necessary redevelopment activities will be unlikely to occur without the authorities and/or incentives described in this Plan.

The use of eminent domain will be necessary under this Plan. A request for the City to exercise eminent domain on behalf of the 353 Corporation is hereby made to acquire the property at 611 Jefferson St.

This Plan shall constitute a “Master Plan for the purposes” of § 353.170 RSMo.

B. Relocation Plan

The Council of the City of Jefferson City (the "**City Council**") by ordinance has established a relocation policy for projects undertaken pursuant to Chapter 353 and other redevelopment statutes (the "**Relocation Policy**"), all in accordance with requirements of Sections 523.200 *et seq*. of the Revised Statutes of Missouri, as amended. This Plan incorporates the Relocation Policy as the relocation plan for the Redevelopment Project.

This Plan as proposed does not require relocation activities.

C. Redevelopment Terms and Proposed Limitations on Tax Abatement

Chapter 353 allows for grants of real property tax abatement for a total maximum period of twenty-five years. Chapter 353 allows for a grant of abatement of up to 100% of new taxes on real property only within the Redevelopment Area for a period of ten (10) years followed by an abatement of up to 100% of all real property taxes for the following fifteen years. Throughout this twenty-five year period and thereafter, all affected taxing districts would continue to receive personal property taxes on existing and new equipment and personalty.

Whether any tax abatement will be granted to any particular developer for any particular redevelopment will be determined by the City and 353 Corporation in accordance with § 353.110 RSMo. and memorialized in applicable and appropriate Redevelopment Agreements.

Land Use Plan

The Redevelopment Area lies within the City's "C-2" zoning district classification. The City's Zoning Code § 35-26(A)(1) provides:

> "[t]he C-2 District implements the commercial development plan land use category. The C-2 District is intended to accommodate general trades and commercial services not permitted in central and neighborhood commercial districts located at select nodes, intersections and highway interchanges to serve the motoring public and highway users. Buffering, landscaping and open space areas are required to mitigate impacts of the more intensive land uses and traffic activities as well as provide adequate access and traffic improvements. Note: The C-2 General Commercial district is primarily intended to be a commercial and retail zoning district. Due to the nature of these uses and the attendant traffic and noise, persons inhabiting residential uses in non-residential buildings, as defined in article IX, should not expect to find the quiet and low level of ambient noise normally found in residential districts."

Depending on the particular redevelopment project selected by the City and 353 Corporation at the conclusion of the competitive RFP process, zoning approvals or any other land use approvals may be needed for implementation.

Duration of Plan

This Plan and all development rights hereunder shall expire at the end of the last term of granted tax abatement that begins when the 353 Corporation conveys a parcel of real property within the Redevelopment Project Area to a private developer under a Development Agreement

Plan Amendments

This Plan may be amended from time to time by the City Council by ordinance. Any such amendment that substantially departs from the terms of any redevelopment agreement between the City and a selected redeveloper shall additionally require approval by any affected developer or sub-developer.

Exhibit A

Common Description of Redevelopment Area

The Redevelopment Area consists of the following parcels of real estate, plus all adjacent public rights-of-way.

Address	Parcel ID Number
611 Jefferson Street	11-03-07-0004-026-005

Exhibit B

Map of Redevelopment Area
Aerial Overview



EXHIBIT C

Study of Blighting Factors within Redevelopment Area
611 Jefferson Redevelopment Area

In accordance with the Urban Redevelopment Corporations Law, Chapter 353 of the Revised Statutes of Missouri, as amended ("Chapter 353"), this study of blighting factors has been prepared to assist the City Council of the City of Jefferson City (the "City Council") in determining whether a certain area located within the City of Jefferson City (the "City") is a "blighted area," as that term is used and defined in Chapter 353. This analysis was conducted in the fourth quarter of calendar year 2022. The area under study contains a single lot commonly described as 611 Jefferson as depicted on **Exhibit B** attached to that certain development plan entitled "Development Plan 611 Jefferson Redevelopment Project, Jefferson City Missouri" dated December 5, 2022 (the "Redevelopment Plan"), incorporated by reference in this analysis (collectively, the "Redevelopment Area"). The Redevelopment Area consists of the single of real property, plus surrounding rights-of-way. At the time of this study, the Redevelopment Area was zoned "C-2 Commercial."

Chapter 353 requires as a prerequisite to the undertaking of proposed redevelopment activities, including the granting of real property tax abatement, that the City Council make a determination that the Redevelopment Area is a "blighted area," as that term is used and defined in Chapter 353. A "blighted area" is defined by Chapter 353 to mean:

> "That portion of the city within which the legislative authority of such city determines that by reason of age, obsolescence, inadequate or outmoded design or physical deterioration have become economic and social liabilities, and that such conditions are conducive to ill health, transmission of disease, crime or inability to pay reasonable taxes. (Missouri Revised Statutes, as amended §353.020(2)).

The determination of statutory "blight" need not encompass the entire Redevelopment Area. Rather, Chapter 353 expressly provides that "any such area may include buildings and improvements not in themselves blighted, and any real property, whether improved or unimproved, the inclusion of which is deemed necessary for the effective clearance, re-planning, reconstruction, rehabilitation of the area of which such buildings, improvements, or real property form a part." Based on the analysis detailed below, the City Council has a sufficient factual basis to support a determination that the Redevelopment Area is indeed a "blighted area" under Chapter 353.

The following factors demonstrate that the Redevelopment Area is a "blighted area" as that term is defined and used in Chapter 353.

Background

611 Jefferson is located in the Southside/Old Munichburg area of Jefferson City. This neighborhood is home to an eclectic mix of residential, storefront commercial, office and industrial use. The neighborhood also hosts the City annual Oktoberfest and a regular seasonal farmers market. While the neighborhood as seen some revitalization and positive investment in public infrastructure and in private structures generally

corresponding with the establishment of the Southside Community Improvement District and other redevelopment tools like tax increment financing, 611 Jefferson did not participate in such revitalization and has experienced significant deterioration over the past decade.

Blight Factors Present Within the Redevelopment Area

Physical Deterioration: The main problem afflicting the Redevelopment Area is that the improvements constructed within the Redevelopment Area suffer from significant physical deterioration.

The single structure within the Redevelopment Area has been declared to be a Dangerous Building and has been ordered to be vacated and remain unoccupied until demolition or repair of the Dangerous Building as been completed. Specifically, the structure was declared dangerous and ordered to be demolished or repaired on January 17, 2022. The City's dangerous building packet for 611 Jefferson St. is attached hereto as Attachment 1.

Subsequent to the City's dangerous building declaration, the structure at 611 Jefferson St. continues to harm the surrounding neighborhood, as the structure's front patio provided an attractive nuisance where the partially enclosed patio was being used as a restroom facility for segments of the of population experiencing homelessness in the area. This led to noxious odors affecting surrounding properties. This in turned City staff to further expend public resources by further securing the structure by framing and fully enclosing the patio area.

The Redevelopment Area, in its current state and, remain unusable and will not attract development thus remaining an economic liability, incapable of paying reasonable taxes. Additionally, the Redevelopment Area, in its current state, constitutes a social liability conducive to ill health, transmission of disease, and a threat to public safety. Conversely, redevelopment of this area will advantage neighboring parcels, thus assisting the City's overall goals in economic development and public safety.

Obsolescence and Economic Underutilization: Currently, the entire Redevelopment Area is underutilized; hosting a vacated structure which has been ordered to remain unoccupied because the structure is too dangerous and harmful to support any type of use or occupation whatsoever. This results in an economic liability, incapable of paying reasonable taxes. For example, according to realtor.com, the median list price of residential properties in Jefferson City in December 2021 was $195,500. This value would typically generate combined real property taxes of $2,211.96 *per annum*. However, the 2021 real property taxes generated by 611 Jefferson assessed as a commercial building was $1,775.09.

The Redevelopment Area's underutilization is directly tied to the above-discussed blighting factors, including significant deterioration of improvements necessary for safe and effective operation of commercial and residential uses.

The Redevelopment Area enjoys several advantages for commercial and residential uses. Discussed above, the neighborhood is a center for community and cultural events

and provides an opportunity for a variety of uses. Furthermore, the Redevelopment Area is mere blocks in from the Missouri State Capitol and several State Office Buildings.

City officials have realized the advantages that a location near downtown Jefferson City can provide and have developed land use policies to promote and support effective development of commercial and residential uses. The Redevelopment Area sits within a City-center area zoned for a wide-variety of uses, whether those be retail, restaurant, bars and nightlife, governmental, institutional, financial services, professional and/or office uses. However, the blighted conditions in the Redevelopment Area have resulted in underutilization of the Redevelopment Area, frustrating the City's land use policies and goals.

The Redevelopment Area, in its current state and design, will remain underutilized. Continued underutilization of the Redevelopment Area would deprive the City of reasonable taxes and is inconsistent with the City's land use policies, frustrates the City's economic development and land use objectives, and interferes with intended development for the City's and the public's welfare.

Summary of Findings and Conclusions

The following summarizes the findings of this Analysis:

1. The Redevelopment Area is presently characterized by economic underutilization. Continued underutilization and attendant limitations on private investment commensurate with the land use classification and development potential of the Redevelopment Area constitute an economic liability and are conducive to the inability of the Redevelopment Area to pay reasonable taxes.

2. The continued underutilization of the Redevelopment Area, as well as the deteriorating condition of internal improvements, falls short of the intended impacts of City's land use policies and frustrates the City's economic development objectives for City-center commercial development.

3. The deterioration of Redevelopment Area's existing building is a social liability presenting threats to the public health, safety, and welfare.

Conclusion: This analysis demonstrates that portions of the Redevelopment Area exhibit conditions that meet statutory and common law tests supporting a determination by the City Council that the Redevelopment Area on the whole constitutes a "blighted area" so that the clearance, replanning, reconstruction or rehabilitation of the Redevelopment Area is necessary to effectuate the purposes of Chapter 353, as amended.

City of Jefferson
Department of Planning & Protective Services
320 E. McCarty Street
Jefferson City, MO 65101

Carrie Tergin, Mayor
Janice McMillan, AICP, Director
Phone: 573-634-6410
Fax: 573-634-6457

January 11, 2017

Barbara Buescher
407 E Capitol Ave
Jefferson City, MO 65101

Certified Notice
7015 3010 0000 8168 7854

RE: 611 & 613 Jefferson St.
Parcel ID # 1103070004026005

DECLARATION AND NOTICE OF PUBLIC NUISANCE AND ORDER TO ABATE

According to the records of the recorder of deeds and the Assessor's Office of Cole County, Missouri you are owner of the property located at **611 & 613 Jefferson St., Jefferson City, Missouri,** hereinafter referred to as the "*property*". Attached to this letter please find **Exhibit A, Assessor's Records**, verifying said ownership.

This notice is provided to you pursuant to sections 21-1 through 21-9 of the Code of City of Jefferson. All references to section number are from the Code of City of Jefferson.

Pursuant to Section 21-6a (Statement of Nuisance), you are hereby notified that the *property* has upon it conditions which are in violation of the Property Maintenance Code. Properties which violate the Property Maintenance code are nuisances pursuant to section 21-1. This *property* is hereby declared a nuisance.

The specific code sections of the Property Maintenance Code which have been violated are identified on **Exhibit B, Column A. Exhibit B** identified as "**Statement of Nuisances Enumerated"** is attached herewith.

The specific conditions which violate the Property Maintenance Code are identified on the attached **Exhibit B Column B.**

Pursuant to Section 21-6b (Corrective Action) you are hereby notified that the corrective action necessary to abate the nuisances identified above are found on **Exhibit B, Column C**.

Pursuant to Section 21-6c (Correction Order) you are hereby directed to take action to abate the nuisance and proceed continuously without unnecessary delay. Abatement must be commenced and completed within the time frames found on **Exhibit B, Column D**.

Individuals should contact the ADA Coordinator at (573) 634-6570 to request accommodations or alternative formats as required under the Americans with Disabilities Act. Please allow three business days to process the request.

Pursuant to Section 21-6c(Statement of Abatement) you are hereby notified that if the nuisance is not abated as directed and no request for hearing is made within the prescribed time, the City will abate such nuisance and assess the costs thereof against you as outlined in Sections 21-8 and 21-9. You are notified that the City may proceed against you for some or all of any violation which is not corrected within the prescribed times.

Pursuant to Section 21-6d (Order to Proceed without delay) you are hereby directed to begin abatement of the nuisance immediately, proceed continuously without unnecessary delay, and complete abatement within the time frame specified in **Exhibit B, Column D**.

Pursuant to Section 21-7 (Service of Notice) this notice is being delivered to you by posting on the property, certified mail, first class mail and personal delivery, should you be willing to accept it.

Pursuant to Section 21-8 (Right to Appeal) any owner or person receiving this notice has the right to request a hearing to appeal this declaration of nuisance. The request must be in writing and must be received by the Director of Planning & Protective Services of the City of Jefferson within 10 days of the date of the Notice. The Director may at his sole discretion, extend the time for filing the Request. The request for a hearing shall be on a form promulgated by the Director or shall be in writing and contain at least the name of the person requesting the notice, their mailing address, their phone number (if any), a statement that they request a hearing on the determination of a nuisance and the location of the nuisance.

The procedure for any hearing requested pursuant to Section 21-8 is provided in section 21-9.

Also attached please find **Exhibit D Site Photos.** Please note that **Exhibit B, Column E**, identifies a number that correlates to the photographs found in Exhibit D. Those photographs are included to assist in identifying the code violation.

Please note that for consistency and continuity at any potential hearing, we have not identified any attachment as exhibit C (which is held in reserve to identify this letter). Please review the enclosed materials carefully and contact the City of Jefferson with any questions you may have. You may contact, Dave Helmick, Housing/Property Inspector, 573-634-6410 to set up a meeting to discuss the notice of violation and the time table for corrective action.

Thank you in advance for your cooperation,

Sincerely,

Dave Helmick, Housing/Property Inspector

Enclosures: Exhibits A, B, D
CC: Jayme Abbott – Neighborhood Services Manager
Bryan Wolford – Associate City Counselor

Individuals should contact the ADA Coordinator at (573) 634-6570 to request accommodations or alternative formats as required under the Americans with Disabilities Act. Please allow three business days to process the request.

Exhibit A

MidMoGIS, MO



Parcel ID	1103070004026005	Book-Page Date	-	
Owner Name	BUESCHER, BARBARA J	Sec/Twn/Rng	7/44/11	
Mailing Address	429 E CAPITOL AVE	Square Feet (Above Grade)	0	
City State ZIP	JEFFERSON CITY, MO 65101	Basement Type		
Property Address	611 Jefferson St	Finished Bsmnt. Size (Sq. Ft.)		
Subdivision	CITY OF JEFFERSON INLOT	Year Built	0	
Subdivision Image	CITY OF JEFFERSON INLOT	Date Certified	1/1/2016	
Property Description	N 45' OF W 89.38' OF INLOT 815	Property Values (Land)	Comm: $5,000 Ag: $0 Res: $5,000	
Book-Page Date	331-905 10/23/1991	Property Values (Improv.)	Comm: $45,000 Ag: $0 Res: $58,800	
Book-Page Date	263-802 1/2/1981	Appraised Value	$113,800	

Disclaimer: Map and parcel data are believed to be accurate, but accuracy is not guaranteed. This is not a legal document and should not be substituted for a title search,appraisal, survey, or for zoning verification.

Map Scale
1 inch = 81 feet
1/11/2017

Statement of Nuisances Enumerated

Exhibit B

1/11/2017

611 & 613 Jefferson St

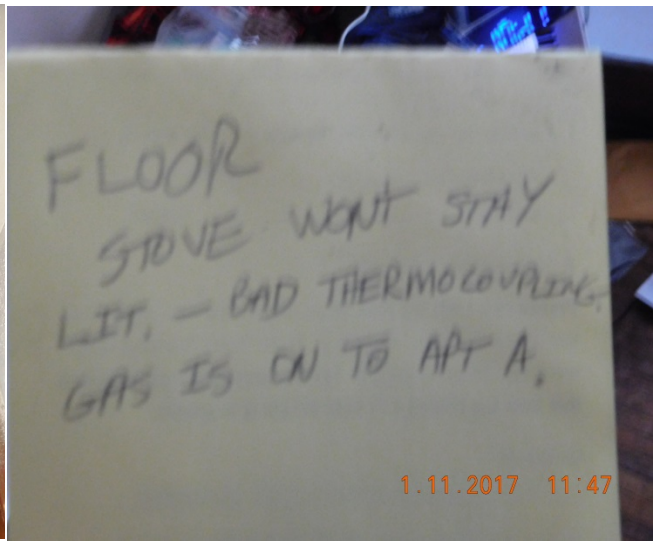
Residential Un-Occupied

Item # / Priority	A Code Section	B Description of Defects	C Correctives Required	D Due Date	E Photo Number	F	G
1	602.1 Facilities Required 602.2 Residential 603.1 Mechanical	There is not function heat on site and mechanical appliances are in poor condition and un sanitary.	Supply heat to all occupied units. Clean and sanitize all appliances once working.	22-Jan-17	1		
	402.3 Other Spaces light 605.1 Installation 605.3 Luminaires 704.1 Fire Protection systems	Many faulty outlets and light fixtures. Smoke dectors do not function.	Using licensed electrician repair all electrical issues and service. Replace all non functioning smoke detectors.	22-Jan-17	2		
	501.2 Plumbing Responsibility 504.1 General Plumbing	There is no hot water and plumbing fixtires are in an unsanitary state.	Replace all faulty and unsanitary plumbing fixtures and facilities. Water heater needs to be replaced also	22-Jan-17	3		
	305.3 Interior surfaces 304.3 Windows, skylight, doors	There are broken windows, water damage, rotting food and general unsanitary conditions.	In a legal manner remove the accumulation of trash, clean and sanitize all surfaces. Repair or replace all damaged windows and water damaged areas.	22-Jan-17	4		
	304.1.1 Unsafe Conditions 304.7 Roofs and Drainage	There are many areas of roof, soffit, fascia, and gutters which are failing and pose a safety issue. There is also an accumulation of litter.	Repair all exterior violations and remove the accumulation of litter and debris.	13-Feb-17	5		
			The property is ordered vacated until all life safety issues are repaired. Heat, water, sanitary conditions. Property is to be vacated by 1/22/17 if violations have not been corrected and reinspected.				
8							









602.1 Facilities required. Heating facilities shall be provided in structures as required by this section.
602.2 Residential occupancies. Dwellings shall be provided with heating facilities capable of maintaining a room temperature of 68°F (20°C) in all habitable rooms, *bathrooms* and *toilet rooms* based on the winter outdoor design temperature for the locality indicated in Appendix D of the *International Plumbing Code*. Cooking appliances shall not be used to provide space heating to meet the requirements of this section.

603.1 Mechanical appliances. All mechanical appliances, fireplaces, solid fuel-burning appliances, cooking appliances and water heating appliances shall be properly installed and maintained in a safe working condition, and shall be capable of performing the intended function.









402.3 Other spaces. All other spaces shall be provided with natural or artificial light sufficient to permit the maintenance of sanitary conditions, and the safe *occupancy* of the space and utilization of the appliances, equipment and fixtures.

605.1 Installation. All electrical equipment, wiring and appliances shall be properly installed and maintained in a safe and *approved* manner.

605.3 Luminaires. Every public hall, interior stairway, *toilet room*, kitchen, *bathroom*, laundry room, boiler room and furnace room shall contain at least one electric luminaire.



501.2 Responsibility. The *owner* of the structure shall provide and maintain such plumbing facilities and plumbing fixtures in compliance with these requirements. A person shall not occupy as *owner-occupant* or permit another person to occupy any structure or *premises* which does not comply with the requirements of this chapter.

504.1 General. All plumbing fixtures shall be properly installed and maintained in working order, and shall be kept free from obstructions, leaks and defects and be capable of performing the function for which such plumbing fixtures are designed. All plumbing fixtures shall be maintained in a safe, sanitary and functional condition.







305.3 Interior surfaces. All interior surfaces, including windows and doors, shall be maintained in good, clean and sanitary condition. Peeling, chipping, flaking or abraded paint shall be repaired, removed or covered. Cracked or loose plaster, decayed wood and other defective surface conditions shall be corrected.

304.13 Window, skylight and door frames. Every window, skylight, door and frame shall be kept in sound condition, good repair and weather tight.
304.13.1 Glazing. All glazing materials shall be maintained free from cracks and holes.









304.1.1 Unsafe conditions. The following conditions shall be determined as unsafe and shall be repaired or replaced to comply with the *International Building Code* or the *International Existing Building Code* as required for existing buildings:

8. Roofing or roofing components that have defects that admit rain, roof surfaces with inadequate drainage, or any portion of the roof framing that is not in good repair with signs of *deterioration*, fatigue or without proper anchorage and incapable of supporting all nominal loads and resisting all load effects;

304.7 Roofs and drainage. The roof and flashing shall be sound, tight and not have defects that admit rain. Roof drainage shall be adequate to prevent dampness or *deterioration* in the walls or interior portion of the structure. Roof drains, gutters and downspouts shall be maintained in good repair and free from obstructions. Roof water shall not be discharged in a manner that creates a public nuisance.

EXHIBIT B

Development Plan
320 Miller Redevelopment Project
Jefferson City, Missouri

Prepared for

The City Council of the City of Jefferson City, Missouri

on behalf of

Jefferson Redevelopment Corporation



December 5, 2022

Development Plan
320 Miller Redevelopment Project

City of Jefferson City, Missouri
Jefferson Redevelopment Corporation

Introduction

This Development Plan (this "**Plan**") sets forth a program of redevelopment intended to eliminate or mitigate certain factors which cause an property commonly described as 320 Miller St. in Jefferson City, Missouri, and described in **Exhibit A** and depicted on **Exhibit B**, both attached to and incorporated in this Plan by reference (the "**Redevelopment Area**"), to constitute a "blighted area," as that term is used and defined in the Urban Redevelopment Corporations Law, Chapter 353 of the Revised Statutes of Missouri, as amended ("**Chapter 353**"). A study entitled "Study of Blighting Factors within Redevelopment Area" chronicling conditions of blight in the Redevelopment Area (the "**Blight Analysis**") has been performed and has concluded that evidence of physical, social and economic conditions of blight exist in the Redevelopment Area. A copy of the Blight Analysis is attached as **Exhibit C** and is incorporated in this Plan by reference and sets forth the factors which support this determination.

The Redevelopment Area encompasses a single property commonly described as 320 Miller St. in Jefferson City. The lot at issue is currently owned by Barbara Buescher (the "**Property Owner**"). The property is located in a mixed-use area of the City making it ideal for residential or commercial uses, or a combination thereof. The single building that formerly occupied the site was been declared to be a "dangerous building" under the City Code and subsequently demolished under the Code. The existing tax liens held by both the City and County make the property undevelopable despite its locational advantages. To address the blighting factors present in the Redevelopment Area the Jefferson City Redevelopment Corporation (the "**353 Corporation**") has determined that commercial or residential uses be sought and has proposed this Plan, prepared in accordance with Chapter 353, and procedural ordinances of the City governing consideration of redevelopment proposals, which calls for the acquisition of real property and the potential grant of limited real property tax abatement to induce redevelopment and preservation of the Redevelopment Area.

Chapter 353 Provisions and Requirements

Chapter 353 as a redevelopment tool is available to all Missouri cities regardless of size. Chapter 353 encourages redevelopment by providing for real property tax abatement for properties within designated redevelopment areas. Under Chapter 353, real property acquired by an Urban Redevelopment Corporation (as that term is used in Chapter 353) and used in accordance with an approved redevelopment plan may receive tax relief in the form of partial real property tax abatement for a period of up to twenty-five years. Taxation of personal property remains unaffected.

Before authorizing a redevelopment project, and granting property tax abatement, the

governing body of a city must schedule and hold a public hearing, notify affected taxing districts in writing, and provide to the taxing districts a written statement identifying the estimated impact of the proposed property tax abatement. Following the public hearing, the city may approve the project and the tax abatement by ordinance. The ordinance must set the time for acquisition of property by the Urban Redevelopment Corporation and for expiration of the development rights granted.

Redevelopment Objectives

The principal objectives of this Plan are the reduction or elimination of blighted conditions within the Redevelopment Area and the improvement of the site to encourage redevelopment, which will in turn result in productive use and an enhanced capacity to pay reasonable taxes. The dangerous conditions of the existing structure on the property within the Redevelopment Area creates a higher cost of doing business on the property and renders the lot potentially economically unviable.

The continued existence of the blighted conditions has and will have a negative economic impact on the rest of the neighborhood. Vacant, unmaintained lots have the tendency to reduce property values for an entire neighborhood, thus magnifying the property tax loss for the entire surrounding area. Therefore, this plan is designed to make redevelopment of Redevelopment Area viable.

Description of the Redevelopment Project

A. Redevelopment Project Activities

The Redevelopment Project envisions redevelopment of 320 Miller St. to be paid for by private funding. The main initial activity under this Redevelopment is the acquisition the real estate in the Redevelopment Area. After acquiring all necessary real estate in the area, the City and 353 Corporation will undergo a competitive process in which the real estate will be conveyed to a private developer who, in the opinion of the City and 353 Corporation, have proposed the plan for redevelopment of the Redevelopment Area that will best serve the health, safety, and general welfare of the City and the Redevelopment Area and are best qualified to execute the proposed redevelopment project. The selected developer will then carry out its redevelopment project(s) under an appropriate Redevelopment Agreement and may or may not utilize tax abatement incentives available under Chapter 353.

Necessary redevelopment activities will be unlikely to occur without the authorities and/or incentives described in this Plan.

The use of eminent domain will be necessary under this Plan. A request for the City to exercise eminent domain on behalf of the 353 Corporation is hereby made to acquire the property at 320 Miller St.

This Plan shall constitute a “Master Plan for the purposes” of § 353.170 RSMo.

B. Relocation Plan

The Council of the City of Jefferson City (the "**City Council**") by ordinance has established a relocation policy for projects undertaken pursuant to Chapter 353 and other redevelopment statutes (the "**Relocation Policy**"), all in accordance with requirements of Sections 523.200 *et seq*. of the Revised Statutes of Missouri, as amended. This Plan incorporates the Relocation Policy as the relocation plan for the Redevelopment Project.

This Plan as proposed does not require relocation activities.

C. Redevelopment Terms and Proposed Limitations on Tax Abatement

Chapter 353 allows for grants of real property tax abatement for a total maximum period of twenty-five years. Chapter 353 allows for a grant of abatement of up to 100% of new taxes on real property only within the Redevelopment Area for a period of ten (10) years followed by an abatement of up to 100% of all real property taxes for the following fifteen years. Throughout this twenty-five year period and thereafter, all affected taxing districts would continue to receive personal property taxes on existing and new equipment and personalty.

Whether any tax abatement will be granted to any particular developer for any particular redevelopment will be determined by the City and 353 Corporation in accordance with § 353.110 RSMo. and memorialized in applicable and appropriate Redevelopment Agreements.

Land Use Plan

The Redevelopment Area lies within the City's "C-1" zoning district classification. The City's Zoning Code § 35-26(A)(1) provides:

> "The C-1 District implements the commercial development plan land use category. The C-1 District is intended to provide small convenient, indoor retail/commercial services and offices, and in residential neighborhood locations at an intersection or on a major street. Buffering, landscaping and open space areas separate the commercial and office uses from residential uses.
>
> Note: The C-1 Neighborhood Commercial District is primarily intended to be a commercial and retail zoning district. Due to the nature of these uses and the attendant traffic and noise, persons inhabiting residential uses in non-residential buildings, as defined in article IX, should not expect to find the quiet and low level of ambient noise normally found in residential districts."

Depending on the particular redevelopment project selected by the City and 353 Corporation at the conclusion of the competitive RFP process, zoning approvals or any other land use approvals may be needed for implementation.

Duration of Plan

This Plan and all development rights hereunder shall expire at the end of the last term of granted tax abatement that begins when the 353 Corporation conveys a parcel of real property within the Redevelopment Project Area to a private developer under a Development Agreement

Plan Amendments

This Plan may be amended from time to time by the City Council by ordinance. Any such amendment that substantially departs from the terms of any redevelopment agreement between the City and a selected redeveloper shall additionally require approval by any affected developer or sub-developer.

Exhibit A

Common Description of Redevelopment Area

The Redevelopment Area consists of the following parcels of real estate, plus all adjacent public rights-of-way.

Address	Parcel ID Number
320 Miller Street	11-03-07-0004-019-004

Exhibit B

Map of Redevelopment Area
Aerial Overview



EXHIBIT C

Study of Blighting Factors within Redevelopment Area
320 Miller Redevelopment Area

In accordance with the Urban Redevelopment Corporations Law, Chapter 353 of the Revised Statutes of Missouri, as amended ("Chapter 353"), this study of blighting factors has been prepared to assist the City Council of the City of Jefferson City (the "City Council") in determining whether a certain area located within the City of Jefferson City (the "City") is a "blighted area," as that term is used and defined in Chapter 353. This analysis was conducted in the fourth quarter of calendar year 2022. The area under study contains a single lot commonly described as 320 Miller as depicted on **Exhibit B** attached to that certain development plan entitled "Development Plan 320 Miller Redevelopment Project, Jefferson City Missouri" dated December 5, 2022 (the "Redevelopment Plan"), incorporated by reference in this analysis (collectively, the "Redevelopment Area"). The Redevelopment Area consists of the single of real property, plus surrounding rights-of-way. At the time of this study, the Redevelopment Area was zoned "C-1 Commercial."

Chapter 353 requires as a prerequisite to the undertaking of proposed redevelopment activities, including the granting of real property tax abatement, that the City Council make a determination that the Redevelopment Area is a "blighted area," as that term is used and defined in Chapter 353. A "blighted area" is defined by Chapter 353 to mean:

> "That portion of the city within which the legislative authority of such city determines that by reason of age, obsolescence, inadequate or outmoded design or physical deterioration have become economic and social liabilities, and that such conditions are conducive to ill health, transmission of disease, crime or inability to pay reasonable taxes. (Missouri Revised Statutes, as amended §353.020(2)).

The determination of statutory "blight" need not encompass the entire Redevelopment Area. Rather, Chapter 353 expressly provides that "any such area may include buildings and improvements not in themselves blighted, and any real property, whether improved or unimproved, the inclusion of which is deemed necessary for the effective clearance, re-planning, reconstruction, rehabilitation of the area of which such buildings, improvements, or real property form a part." Based on the analysis detailed below, the City Council has a sufficient factual basis to support a determination that the Redevelopment Area is indeed a "blighted area" under Chapter 353.

The following factors demonstrate that the Redevelopment Area is a "blighted area" as that term is defined and used in Chapter 353.

Background

320 Miller is located in the southeastern portion of the greater downtown area of Jefferson City. This neighborhood is home to an mix of residential, commercial, and institutional uses.

Blight Factors Present Within the Redevelopment Area

Physical Deterioration: The main problem afflicting the Redevelopment Area is that the improvements constructed within the Redevelopment Area suffered from significant physical deterioration leading to the demolition of the structure on the property.

The single structure within the Redevelopment Area has been declared to be a Dangerous Building and was ordered to be vacated and remain unoccupied until demolition or repair of the Dangerous Building has been completed. Specifically, the structure was declared dangerous and ordered to be demolished or repaired on April 2021. The City's dangerous building packet for 320 Miller St. is attached hereto as Attachment 1.

Subsequent to the City's dangerous building declaration, failed to repair or demolish the Dangerous Building as ordered and the building was demolished using public funds in January 2022. The property now sits vacant and unmaintained, except for when weeds and vegetation overgrow to a nuisance level and the City mows the property and levies a tax lien on the property for such work.

The Redevelopment Area, in its current state and, remain unusable and will not attract development thus remaining an economic liability, incapable of paying reasonable taxes. Additionally, the Redevelopment Area, in its current state, constitutes a social liability conducive to ill health, transmission of disease, and a threat to public safety. Conversely, redevelopment of this area will advantage neighboring parcels, thus assisting the City's overall goals in economic development and public safety.

Obsolescence and Economic Underutilization: Currently, the entire Redevelopment Area is underutilized; hosting nothing but a vacant lot. This results in an economic liability, incapable of paying reasonable taxes. For example, according to realtor.com, the median list price of residential properties in Jefferson City in December 2021 was $195,500. This value would typically generate combined real property taxes of $2,211.96 *per annum*. However, the 2021 real property taxes generated by 320 Miller was $530.64.

The Redevelopment Area's underutilization is directly tied to the above-discussed blighting factors, including significant deterioration of improvements necessary for safe and effective operation of commercial and residential uses.

The Redevelopment Area enjoys several advantages for commercial and residential uses. Specifically, the Redevelopment Area is within walking distance to City Hall, the Miller Performing Arts Center, the Jefferson City Academic Center, the Cole County Sheriff's Department and the larger downtown area.

City officials have realized the advantages that a location near downtown Jefferson City can provide and have developed land use policies to promote and support effective development of commercial and residential uses. The Redevelopment Area sits within a City-center area zoned for a wide-variety of uses, whether those be retail, restaurant, bars and nightlife, governmental, institutional, financial services, professional and/or office uses. However, the blighted conditions in the Redevelopment Area have resulted in underutilization of the Redevelopment Area, frustrating the City's land use policies and goals.

The Redevelopment Area, in its current state and design, will remain underutilized. Continued underutilization of the Redevelopment Area would deprive the City of reasonable taxes and is inconsistent with the City's land use policies, frustrates the City's economic development and land use objectives, and interferes with intended development for the City's and the public's welfare.

Summary of Findings and Conclusions

The following summarizes the findings of this Analysis:

1. The Redevelopment Area is presently characterized by economic underutilization. Continued underutilization and attendant limitations on private investment commensurate with the land use classification and development potential of the Redevelopment Area constitute an economic liability and are conducive to the inability of the Redevelopment Area to pay reasonable taxes.

2. The continued underutilization of the Redevelopment Area, as well as the deteriorating condition of internal improvements, falls short of the intended impacts of City's land use policies and frustrates the City's economic development objectives for City-center commercial development.

3. The deterioration of Redevelopment Area's existing building is a social liability presenting threats to the public health, safety, and welfare.

Conclusion: This analysis demonstrates that portions of the Redevelopment Area exhibit conditions that meet statutory and common law tests supporting a determination by the City Council that the Redevelopment Area on the whole constitutes a "blighted area" so that the clearance, replanning, reconstruction or rehabilitation of the Redevelopment Area is necessary to effectuate the purposes of Chapter 353, as amended.

City of Jefferson
Department of Planning & Protective Services
320 E. McCarty Street
Jefferson City, MO 65101

Carrie Tergin, Mayor
Sonny Sanders, AICP, Director
Phone: 573-634-6410
Fax: 573-634-6457

Date: April 27, 2021

Certified Notice
7015 3010 0000 8169 3497

BUESCHER, BARBARA J
429 E CAPITOL AVE
JEFFERSON CITY, MO 65101

RE: 320 E Miller St , Jefferson City, MO
Parcel ID # 1103070004019004

DECLARATION AND NOTICE OF DANGEROUS BUILDING AND ORDER TO ABATE

According to the records of the Recorder of Deeds and the Assessor's Office of Cole County, Missouri you are owner of the property located at **320 E Miller St, Jefferson City, Missouri,** hereinafter referred to as the "*property*".

This notice is provided to you pursuant to Sections 8-80 through 8-94 of the Code of City of Jefferson. All references to section number are from the Code of City of Jefferson.

Pursuant to Section 8-85b (Statement of Nuisance), you are hereby notified that the *property* has upon it conditions which render the structure located on the property to be a Dangerous Building as defined in Section 8-82 of the Jefferson City Code. Dangerous Buildings are nuisances pursuant to section 8-83. The Dangerous Building located on the *property* is hereby declared a nuisance.

The specific code sections of the City Code which have been violated are identified as follows

1. **8-82.C**.Those that have improperly distributed loads upon the floors or roofs, or in which the same are overloaded or that have insufficient strength to be reasonably safe for the purpose used.
2. **8-82.E** Those that are so dilapidated, decayed, unsafe, unsanitary, or that so utterly fail to provide the amenities essential to decent living that they are unfit for human habitation, or are likely to cause sickness or disease, so as to work injury to the health, safety, or welfare of those occupying such building.
3. **8-82.I** Those that have parts thereof that are so attached that they may fall and injure members of the public or property.
4. **8-82.K** Those that because of their condition are unsafe, unsanitary or dangerous to the health, safety, or general welfare of the people of this City.

Individuals should contact the ADA Coordinator at (573) 634-6570 to request accommodations or alternative formats as required under the Americans with Disabilities Act. Please allow three business days to process the request.

Pursuant to Section 8-85 you are hereby directed to commence corrective action of the dangerous conditions immediately and, proceed continuously without unnecessary delay, within **15 Days** of the date of this notice.

Pursuant to Section 8-85b.3 (Corrective Action) you are hereby notified that the corrective action necessary to abate the dangerous conditions identified above are as follows
1. Secure site to prevent access to areas with overhead fall hazards.
2. Obtain sealed drawings from a licensed professional, obtain all necessary permits and using licensed contractors repair the failing structure per approved drawings. Owner may also choose to obtain permits and demolish the structure to remove hazards.
3. Maintain site security prior to, during, and through completion of repairs and /or demolition.

Pursuant to Section 8-86, if you fail to commence or proceed without delay with the corrective actions, the City may call a Dangerous Building Hearing on the matter. The notice of hearing shall be directed to the owner, occupant, mortgagee, lessee, agent, and all other persons having an interest in said building as shown by the land records of the recorder of deeds of the county wherein the land is located, to appear before the Hearing Officer on the date specified to determine whether the building or structure reported to be a dangerous building should be vacated, repaired, or demolished in accordance with the statement of particulars set forth in this notice.

Pursuant to Section 8-87 you are hereby notified that if dangerous conditions identified in in this notice are not corrected as directed the City may proceed against you for some or all of any violation which is not addressed within the prescribed times.

You may contact, Dave Helmick, Dangerous Building Inspector, 573-634-6410 to set up a meeting to discuss this notice of violation and the time table for corrective action.

Thank you in advance for your cooperation,

Sincerely,



Dave Helmick,
Dangerous Building Inspector

Enclosures: Exhibits A, B, D
CC: Sonny Sanders – Director
Ryan Moehlman–City Attorney
Dustin Birch – Assistant City Attorney

Individuals should contact the ADA Coordinator at (573) 634-6570 to request accommodations or alternative formats as required under the Americans with Disabilities Act. Please allow three business days to process the request.

Cole County Assessor
Parcel Report

Report Date: 4/27/2021



Property Details

Parcel ID 1103070004019004

Property Address:
320 E MILLER ST MO 65101

Owner:
BUESCHER, BARBARA J
429 E CAPITOL AVE
JEFFERSON CITY, MO 65101

Deed Book-Page Date:
{331-904 10/23/1991},
{331-904 10/23/1991},
{315-287 06/01/1989},

Section/Township/Range:
7/44/11

Acreage:
0.18 ac.

School District: JC
Year Built: 1910
Sq. Ft. (above grade): 3006
Fin. Bsmt Sz (sq. ft.):

Land and Improvement Appraised Values

Land (Ag):	$0	**Imp (Ag):**	$0
Land (Res):	$7000	**Imp (Res):**	$39700
Land (Comm):	$0	**Imp (Comm):**	$0

Date Certified: 2020
Appraised: $46700

Property Description:
CITY OF JEFFERSON INLOT W 45.88' OF E 46.88' OF INLOT 722 (EXC HIGHWAY R/O/W)

Parcel Notes:
243-605

Parcel data is for assessment purposes only. It is not a legal survey and does not purport to represent a property boundary survey of the parcels shown. It should not be used for conveyances or the establishment of property boundaries.

PRbyWF_IP









8-82.C.Those that have improperly distributed loads upon the floors or roofs, or in which the same are overloaded or that have insufficient strength to be reasonably safe for the purpose used.

8-82.E Those that are so dilapidated, decayed, unsafe, unsanitary, or that so utterly fail to provide the amenities essential to decent living that they are unfit for human habitation, or are likely to cause sickness or disease, so as to work injury to the health, safety, or welfare of those occupying such building.

8-82.K Those that because of their condition are unsafe, unsanitary or dangerous to the health, safety, or general welfare of the people of this City.



8-82.I Those that have parts thereof that are so attached that they may fall and injure members of the public or property.


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EXHIBIT C

Development Plan
1226 Adams Redevelopment Project
Jefferson City, Missouri

Prepared for

The City Council of the City of Jefferson City, Missouri

on behalf of

Jefferson Redevelopment Corporation



December 5, 2022

Development Plan
1226 Adams Redevelopment Project

City of Jefferson City, Missouri
Jefferson Redevelopment Corporation

Introduction

This Development Plan (this "**Plan**") sets forth a program of redevelopment intended to eliminate or mitigate certain factors which cause an property commonly described as 1226 Adams St. in Jefferson City, Missouri, and described in **Exhibit A** and depicted on **Exhibit B**, both attached to and incorporated in this Plan by reference (the "**Redevelopment Area**"), to constitute a "blighted area," as that term is used and defined in the Urban Redevelopment Corporations Law, Chapter 353 of the Revised Statutes of Missouri, as amended ("**Chapter 353**"). A study entitled "Study of Blighting Factors within Redevelopment Area" chronicling conditions of blight in the Redevelopment Area (the "**Blight Analysis**") has been performed and has concluded that evidence of physical, social and economic conditions of blight exist in the Redevelopment Area. A copy of the Blight Analysis is attached as **Exhibit C** and is incorporated in this Plan by reference and sets forth the factors which support this determination.

The Redevelopment Area encompasses a single property commonly described as 1226 Adams St. in Jefferson City. The lot at issue is currently owned by Barbara Buescher (the "**Property Owner**"). The property is located in a residential area of the City making it ideal for residential or institutional uses. The single building has been declared to be a "dangerous building" under the City Code. The costs of removal or rehabilitation of the structure on the property within the Redevelopment Area and existing tax liens held by both the City and County make the property undevelopable despite its locational advantages. To address the blighting factors present in the Redevelopment Area the Jefferson City Redevelopment Corporation (the "**353 Corporation**") has determined that residential or institutional uses be sought and has proposed this Plan, prepared in accordance with Chapter 353, and procedural ordinances of the City governing consideration of redevelopment proposals, which calls for the acquisition of real property and the potential grant of limited real property tax abatement to induce redevelopment and preservation of the Redevelopment Area.

Chapter 353 Provisions and Requirements

Chapter 353 as a redevelopment tool is available to all Missouri cities regardless of size. Chapter 353 encourages redevelopment by providing for real property tax abatement for properties within designated redevelopment areas. Under Chapter 353, real property acquired by an Urban Redevelopment Corporation (as that term is used in Chapter 353) and used in accordance with an approved redevelopment plan may receive tax relief in the form of partial real property tax abatement for a period of up to twenty-five years. Taxation of personal property remains unaffected.

Before authorizing a redevelopment project, and granting property tax abatement, the

governing body of a city must schedule and hold a public hearing, notify affected taxing districts in writing, and provide to the taxing districts a written statement identifying the estimated impact of the proposed property tax abatement. Following the public hearing, the city may approve the project and the tax abatement by ordinance. The ordinance must set the time for acquisition of property by the Urban Redevelopment Corporation and for expiration of the development rights granted.

Redevelopment Objectives

The principal objectives of this Plan are the reduction or elimination of blighted conditions within the Redevelopment Area and the improvement of the site to encourage redevelopment, which will in turn result in productive use and an enhanced capacity to pay reasonable taxes. The dangerous conditions of the existing structure on the property within the Redevelopment Area creates a higher cost of doing business on the property and renders the lot potentially economically unviable.

The continued existence of the blighted conditions has and will have a negative economic impact on the rest of the neighborhood. Dangerous, unoccupied buildings have the tendency to reduce property values for an entire neighborhood, thus magnifying the property tax loss for the entire surrounding area. Therefore, this plan is designed to make redevelopment of Redevelopment Area viable.

Description of the Redevelopment Project

A. Redevelopment Project Activities

The Redevelopment Project envisions the rehabilitation of the structure at 1226 Adams St. or the wholesale redevelopment of the property to be paid for by private funding. The main initial activity under this Redevelopment is the acquisition the real estate in the Redevelopment Area. After acquiring all necessary real estate in the area, the City and 353 Corporation will undergo a competitive process in which the real estate will be conveyed to a private developer who, in the opinion of the City and 353 Corporation, have proposed the plan for redevelopment of the Redevelopment Area that will best serve the health, safety, and general welfare of the City and the Redevelopment Area and are best qualified to execute the proposed redevelopment project. The selected developer will then carry out its redevelopment project(s) under an appropriate Redevelopment Agreement and may or may not utilize tax abatement incentives available under Chapter 353.

Necessary redevelopment activities will be unlikely to occur without the authorities and/or incentives described in this Plan.

The use of eminent domain will be necessary under this Plan. A request for the City to exercise eminent domain on behalf of the 353 Corporation is hereby made to acquire the property at 1226 Adams St.

This Plan shall constitute a “Master Plan for the purposes” of § 353.170 RSMo.

B. Relocation Plan

The Council of the City of Jefferson City (the "**City Council**") by ordinance has established a relocation policy for projects undertaken pursuant to Chapter 353 and other redevelopment statutes (the "**Relocation Policy**"), all in accordance with requirements of Sections 523.200 *et seq*. of the Revised Statutes of Missouri, as amended. This Plan incorporates the Relocation Policy as the relocation plan for the Redevelopment Project.

This Plan as proposed does not require relocation activities.

C. Redevelopment Terms and Proposed Limitations on Tax Abatement

Chapter 353 allows for grants of real property tax abatement for a total maximum period of twenty-five years. Chapter 353 allows for a grant of abatement of up to 100% of new taxes on real property only within the Redevelopment Area for a period of ten (10) years followed by an abatement of up to 100% of all real property taxes for the following fifteen years. Throughout this twenty-five year period and thereafter, all affected taxing districts would continue to receive personal property taxes on existing and new equipment and personalty.

Whether any tax abatement will be granted to any particular developer for any particular redevelopment will be determined by the City and 353 Corporation in accordance with § 353.110 RSMo. and memorialized in applicable and appropriate Redevelopment Agreements.

Land Use Plan

The Redevelopment Area lies within the City's "C-2" zoning district classification. The City's Zoning Code § 35-26(A)(1) provides:

> "The RS-4 District implements the medium density residential (detached) development plan land use category. The RS-4 District is intended for detached medium density single family residential living and activities that traditionally serve residential neighborhoods.."

Depending on the particular redevelopment project selected by the City and 353 Corporation at the conclusion of the competitive process, zoning approvals or any other land use approvals may be needed for implementation.

Duration of Plan

This Plan and all development rights hereunder shall expire at the end of the last term of granted tax abatement that begins when the 353 Corporation conveys a parcel of real property within the Redevelopment Project Area to a private developer under a Development Agreement

Plan Amendments

This Plan may be amended from time to time by the City Council by ordinance. Any such amendment that substantially departs from the terms of any redevelopment agreement between the City and a selected redeveloper shall additionally require approval by any affected developer or sub-developer.

Exhibit A

Common Description of Redevelopment Area

The Redevelopment Area consists of the following parcels of real estate, plus all adjacent public rights-of-way.

Address	Parcel ID Number
1226 Adams Street	11-04-18-0002-008-023

Exhibit B

Map of Redevelopment Area
Aerial Overview



EXHIBIT C

Study of Blighting Factors within Redevelopment Area
1226 Adams Redevelopment Area

In accordance with the Urban Redevelopment Corporations Law, Chapter 353 of the Revised Statutes of Missouri, as amended ("Chapter 353"), this study of blighting factors has been prepared to assist the City Council of the City of Jefferson City (the "City Council") in determining whether a certain area located within the City of Jefferson City (the "City") is a "blighted area," as that term is used and defined in Chapter 353. This analysis was conducted in the fourth quarter of calendar year 2022. The area under study contains a single lot commonly described as 1226 Adams as depicted on **Exhibit B** attached to that certain development plan entitled "Development Plan 1226 Adams Redevelopment Project, Jefferson City Missouri" dated December 5, 2022 (the "Redevelopment Plan"), incorporated by reference in this analysis (collectively, the "Redevelopment Area"). The Redevelopment Area consists of the single of real property, plus surrounding rights-of-way. At the time of this study, the Redevelopment Area was zoned "C-2 Commercial."

Chapter 353 requires as a prerequisite to the undertaking of proposed redevelopment activities, including the granting of real property tax abatement, that the City Council make a determination that the Redevelopment Area is a "blighted area," as that term is used and defined in Chapter 353. A "blighted area" is defined by Chapter 353 to mean:

> "That portion of the city within which the legislative authority of such city determines that by reason of age, obsolescence, inadequate or outmoded design or physical deterioration have become economic and social liabilities, and that such conditions are conducive to ill health, transmission of disease, crime or inability to pay reasonable taxes. (Missouri Revised Statutes, as amended §353.020(2)).

The determination of statutory "blight" need not encompass the entire Redevelopment Area. Rather, Chapter 353 expressly provides that "any such area may include buildings and improvements not in themselves blighted, and any real property, whether improved or unimproved, the inclusion of which is deemed necessary for the effective clearance, re-planning, reconstruction, rehabilitation of the area of which such buildings, improvements, or real property form a part." Based on the analysis detailed below, the City Council has a sufficient factual basis to support a determination that the Redevelopment Area is indeed a "blighted area" under Chapter 353.

The following factors demonstrate that the Redevelopment Area is a "blighted area" as that term is defined and used in Chapter 353.

Background

1226 Adams is located in the great southside area of Jefferson City. This neighborhood is home to a mix of residential and institutional uses. While the neighborhood as seen some revitalization and positive investment in infrastructure and structures corresponding with activities at Jefferson City High School and Capitol Region Medical Center, 1226 Adams did not participate in such revitalization and has experienced significant

deterioration over the past decade.

Blight Factors Present Within the Redevelopment Area

Physical Deterioration: The main problem afflicting the Redevelopment Area is that the improvements constructed within the Redevelopment Area suffer from significant physical deterioration.

The single structure within the Redevelopment Area has been declared to be a Dangerous Building and has been ordered to be vacated and remain unoccupied until demolition or repair of the Dangerous Building as been completed. Specifically, the structure was declared dangerous and ordered to be demolished or repaired on June 17, 2021. The City's dangerous building packet for 1226 Adams St. is attached hereto as Attachment 1.

Subsequent to the City's dangerous building declaration, the structure at 1226 Adams St. continues to harm the surrounding neighborhood, as the owner provides no maintain to the property, causing public funds to be expended to address nuisance conditions on the property.

The Redevelopment Area, in its current state and, remain unusable and will not attract development thus remaining an economic liability, incapable of paying reasonable taxes. Additionally, the Redevelopment Area, in its current state, constitutes a social liability conducive to ill health, transmission of disease, and a threat to public safety. Conversely, redevelopment of this area will advantage neighboring parcels, thus assisting the City's overall goals in economic development and public safety.

Obsolescence and Economic Underutilization: Currently, the entire Redevelopment Area is underutilized; hosting a vacated structure which has been ordered to remain unoccupied because the structure is too dangerous and harmful to support any type of use or occupation whatsoever. This results in an economic liability, incapable of paying reasonable taxes. For example, according to realtor.com, the median list price of residential properties in Jefferson City in December 2021 was $195,500. This value would typically generate combined real property taxes of $2,211.96 *per annum*. However, the 2021 real property taxes generated by 1226 was $132.82.

The Redevelopment Area's underutilization is directly tied to the above-discussed blighting factors, including significant deterioration of improvements necessary for safe and effective operation of commercial and residential uses.

The Redevelopment Area enjoys several advantages for commercial and residential uses. Discussed above, the neighborhood is a center for community and cultural events and provides an opportunity for a variety of uses. Furthermore, the Redevelopment Area is mere blocks in from the Missouri State Capitol and several State Office Buildings.

City officials have realized the advantages that a location near long-standing Jefferson City institutions can provide and have developed land use policies to promote and support effective development of commercial and residential uses. The Redevelopment Area sits within a City-center area. However, the blighted conditions in the Redevelopment Area

have resulted in underutilization of the Redevelopment Area, frustrating the City's land use policies and goals.

The Redevelopment Area, in its current state and design, will remain underutilized. Continued underutilization of the Redevelopment Area would deprive the City of reasonable taxes and is inconsistent with the City's land use policies, frustrates the City's economic development and land use objectives, and interferes with intended development for the City's and the public's welfare.

Summary of Findings and Conclusions

The following summarizes the findings of this Analysis:

1. The Redevelopment Area is presently characterized by economic underutilization. Continued underutilization and attendant limitations on private investment commensurate with the land use classification and development potential of the Redevelopment Area constitute an economic liability and are conducive to the inability of the Redevelopment Area to pay reasonable taxes.

2. The continued underutilization of the Redevelopment Area, as well as the deteriorating condition of internal improvements, falls short of the intended impacts of City's land use policies and frustrates the City's economic development objectives for City-center commercial development.

3. The deterioration of Redevelopment Area's existing building is a social liability presenting threats to the public health, safety, and welfare.

Conclusion: This analysis demonstrates that portions of the Redevelopment Area exhibit conditions that meet statutory and common law tests supporting a determination by the City Council that the Redevelopment Area on the whole constitutes a "blighted area" so that the clearance, replanning, reconstruction or rehabilitation of the Redevelopment Area is necessary to effectuate the purposes of Chapter 353, as amended.

City of Jefferson
Department of Planning & Protective Services
320 E. McCarty Street
Jefferson City, MO 65101

Carrie Tergin, Mayor
Sonny Sanders, AICP, Director
Phone: 573-634-6410
Fax: 573-634-6457

Date: June 17, 2021

Certified Notice
7015 3010 0000 8169 3534

BUESCHER, BARBARA J,
429 E CAPITOL AVE
JEFFERSON CITY, MO, 65101

Certified Notice

RE: 1226 Adams, Jefferson City, MO
Parcel ID # 1104180002008023

DECLARATION AND NOTICE OF DANGEROUS BUILDING AND ORDER TO ABATE

According to the records of the Recorder of Deeds and the Assessor's Office of Cole County, Missouri you are owner of the property located at **1226 Adams, Jefferson City, Missouri,** hereinafter referred to as the "*property*".

This notice is provided to you pursuant to Sections 8-80 through 8-94 of the Code of City of Jefferson. All references to section number are from the Code of City of Jefferson.

Pursuant to Section 8-85b (Statement of Nuisance), you are hereby notified that the *property* has upon it conditions which render the structure located on the property to be a Dangerous Building as defined in Section 8-82 of the Jefferson City Code. Dangerous Buildings are nuisances pursuant to section 8-83. The Dangerous Building located on the *property* is hereby declared a nuisance.

The specific code sections of the City Code which have been violated are identified as follows

1. **8-82.C**.Those that have improperly distributed loads upon the floors or roofs, or in which the same are overloaded or that have insufficient strength to be reasonably safe for the purpose used.
2. **8-82.E** Those that are so dilapidated, decayed, unsafe, unsanitary, or that so utterly fail to provide the amenities essential to decent living that they are unfit for human habitation, or are likely to cause sickness or disease, so as to work injury to the health, safety, or welfare of those occupying such building.
3. **8-82.I** Those that have parts thereof that are so attached that they may fall and injure members of the public or property.
4. **8-82.K** Those that because of their condition are unsafe, unsanitary or dangerous to the health, safety, or general welfare of the people of this City.

Individuals should contact the ADA Coordinator at (573) 634-6570 to request accommodations or alternative formats as required under the Americans with Disabilities Act. Please allow three business days to process the request.

Pursuant to Section 8-85 you are hereby directed to commence corrective action of the dangerous conditions immediately and, proceed continuously without unnecessary delay, within **30 Days** of the date of this notice.

Pursuant to Section 8-85b.3 (Corrective Action) you are hereby notified that the corrective action necessary to abate the dangerous conditions identified above are as follows

1. Secure site to prevent access to areas with overhead fall hazards.
2. Obtain sealed drawings from a licensed professional, obtain all necessarypermits and using licensed contractors repair the failing structure per approved drawings. Owner may also choose to obtain permits and demolish the structure to remove hazards.
3. Maintain site security prior to, during, and through completion of repairs and /or demolition

Pursuant to Section 8-86, if you fail to commence or proceed without delay with the corrective actions, the City may call a Dangerous Building Hearing on the matter. The notice of hearing shall be directed to the owner, occupant, mortgagee, lessee, agent, and all other persons having an interest in said building as shown by the land records of the recorder of deeds of the county wherein the land is located, to appear before the Hearing Officer on the date specified to determine whether the building or structure reported to be a dangerous building should be vacated, repaired, or demolished in accordance with the statement of particulars set forth in this notice.

Pursuant to Section 8-87 you are hereby notified that if dangerous conditions identified in in this notice are not corrected as directed the City may proceed against you for some or all of any violation which is not addressed within the prescribed times.

You may contact, Dave Helmick, Dangerous Building Inspector, 573-634-6410 to set up a meeting to discuss this notice of violation and the time table for corrective action.

Thank you in advance for your cooperation,

Sincerely,



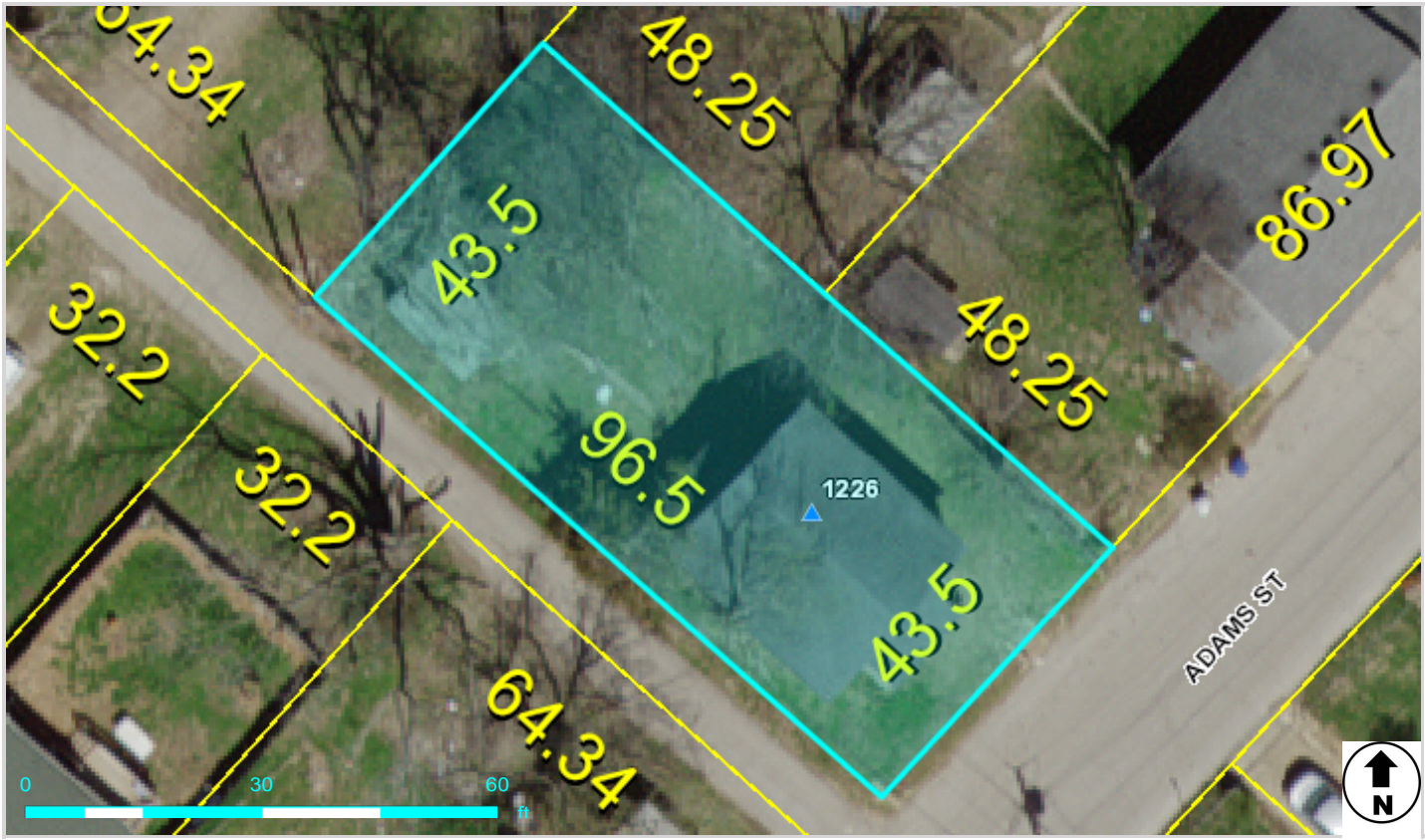
Dave Helmick,
Dangerous Building Inspector

Enclosures: Exhibits A, B, D
CC: Sonny Sanders – Director
Ryan Moehlman–City Attorney
Dustin Birch – Assistant City Attorney

Individuals should contact the ADA Coordinator at (573) 634-6570 to request accommodations or alternative formats as required under the Americans with Disabilities Act. Please allow three business days to process the request.

Cole County Assessor
Parcel Report

Report Date: 6/17/2021



Property Details

Parcel ID 1104180002008023

Property Address:
1226 ADAMS ST MO 65101

Owner:
BUESCHER, BARBARA
429 E CAPITOL AVE
JEFFERSON CITY, MO 65101

Deed Book-Page Date:
{336-470 3/18/1992},
{336-470 03/18/1992},
{74-21 06/24/1934}

Section/Township/Range:
18/44/11

Acreage:
0.1 ac.

Property Description:
MORRIS PT OL 86; S 1/3 LOT 43, 44, & 45

Parcel Notes:

School District: JC
Year Built: 1910
Sq. Ft. (above grade): 680
Fin. Bsmt Sz (sq. ft.):

Land and Improvement Appraised Values

Land (Ag):	$0	**Imp (Ag):**	$0
Land (Res):	$7000	**Imp (Res):**	$4700
Land (Comm):	$0	**Imp (Comm):**	$0

Date Certified: 2018
Appraised: $11700

Parcel data is for assessment purposes only. It is not a legal survey and does not purport to represent a property boundary survey of the parcels shown. It should not be used for conveyances or the establishment of property boundaries.


06/16/2021 09:47


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CITY COUNCIL "PRE-MEETING" WORK SESSION, DECEMBER 5, 2022

CALL TO ORDER

Mayor Carrie Tergin called the December 5, 2022 City Council "Pre-Meeting" to order at 5:45 P.M. to review the agenda.

ATTENDANCE

The following Councilmembers were present when the meeting convened:

Present: Deeken, Fitzwater, Hensley, Kemna, Lester, Schreiber, Spencer, Spicer, Ward
Absent: Wiseman

DISCUSSION OF AGENDA ITEMS

Councilmember Schreiber will lead the prayer.

Miscellaneous

- Gail Strope, Human Resources Director and Mayor Tergin will present the Kevin Meinhardt Award to Mary Schantz. Members of Kevin Meinhardt's family will be in attendance.

Public Hearings

- City Staff presented their respective resolution and pending bill.

Consent Agenda

- There were no questions at this time.

Bills Introduced

- City Staff presented their introduced bills. An incorrect address was noted on the agenda related to bill 2022-085. The correct address is 1226 Adams St. The bill summary and bill have the correct address.

Bills Pending

- City Staff presented their pending bills.

New Business

- Mayor Tergin mentioned a possible update on 408 Lafayette St.

Councilmember Wiseman arrived to the meeting at 5:52 P.M.

ADJOURNMENT

The meeting adjourned at 5:53 P.M.

REGULAR COUNCIL MEETING, DECEMBER 5, 2022

CALL TO ORDER

Mayor Carrie Tergin called the December 5, 2022 City Council meeting to order at 6:01 P.M.

ROLL CALL

The following Councilmembers were present for roll-call:

Present: Deeken, Fitzwater, Hensley, Kemna, Lester, Schreiber, Spencer, Spicer, Ward, and Wiseman
Absent: None

ADOPTION OF THE AGENDA

Councilmember Schreiber motioned and Councilmember Ward seconded the motion to adopt the agenda. The motion passed unanimously by voice-vote.

MISCELLANEOUS AGENDA ITEMS

Mayor Tergin and Gail Strope, Human Resources Director presented the Kevin Meinhardt Award to Mary Schantz. Members of Kevin Meinhardt's family were also in attendance. Bob Meinhardt, Kevin's brother thanked the City for continuing his legacy with the award. Kevin's wife Cyndi and his daughter Molly attended via WebEx.

PUBLIC HEARINGS

a. Approving a Special Exception Permit for Asphalt Oil Terminal with Outdoor Operations and Storage in an M-1 Zoning District for Property Located at 2619 North Shamrock Road

   i. Associated Resolution RS2022-38 (Lester) Staff: Sonny Sanders

   A Staff presentation was made by Sonny Sanders, Director of Planning and Protective Services.

   Paul Sampson, Central Missouri Professional Services, represented the property owner and spoke in favor of the bill.

   There being no one else to speak on the bill, Mayor Tergin declared the evidentiary portion of the public hearing concluded.

   RS2022-38 sponsored by Councilmember Lester

   A RESOLUTION OF THE CITY OF JEFFERSON, MISSOURI APPROVING A SPECIAL EXCEPTION USE PERMIT TO OPERATE AN ASPHALT OIL TERMINAL WITH OUTDOOR OPERATIONS AND STORAGE FOR PROPERTY ADDRESSED AS 2619 NORTH SHAMROCK ROAD

   Councilmember Fitzwater motioned to adopt RS2022-38 and Councilmember Ward seconded the motion. The motion passed by the following roll-call vote:

Aye: Deeken, Fitzwater, Hensley, Kemna, Lester, Schreiber, Spencer, Spicer, Ward, and Wiseman
Nay: None

b. Approving an Amendment to PUD Plan for Property Located at 1716 Four Seasons Drive

i. Associated Pending Bill 2022-078 (Lester) Staff: Sonny Sanders

A Staff presentation was made by Sonny Sanders, Director of Planning and Protective Services.

There being no one to speak on the bill, Mayor Tergin declared the evidentiary portion of the public hearing concluded.

2022-078 sponsored by Councilmember Lester

AN ORDINANCE OF THE CITY OF JEFFERSON, MISSOURI, APPROVING A PUD PLAN AMENDMENT FOR PROPERTY LOCATED AT 1716 FOUR SEASONS DRIVE.

Bill 2022-078 was read third time by title, placed on final passage, and passed by the following roll-call vote as **Ordinance 16294**.

Aye: Deeken, Fitzwater, Hensley, Kemna, Lester, Schreiber, Spencer, Spicer, Ward, and Wiseman
Nay: None

APPOINTMENTS BY THE MAYOR

There were no appointments at this time.

PRESENTATIONS FROM STAFF, CONSULTANTS & INVITED GUESTS

There were no presentations at this time.

ANNOUNCEMENTS BY MAYOR, COUNCIL, AND STAFF

City Council committee announcements:

- Committee on Administration – The next meeting is December 7th, 7:30 A.M. in the Boone-Bancroft Room.
- Finance Committee – There were no updates at this time.
- Public Safety Committee – There were no updates at this time.
- Public Works & Planning Committee –The next meeting is December 8th, 7:30 A.M. in Council Chambers.

Mayor announcements:

- The Polar Plunge Power Hour was November 30th. The combined fund raising goal is $10,000 with the current collected amount at $9,892. Donations for Special Olympics will continue to be accepted. Mayor Tergin thanked those who "plunged" at the event.
- The Mayor's Christmas Tree Lighting Ceremony was December 1st. A community bike ride was held that evening, starting at City Hall and ending at the Mayor's Christmas Tree on Bolivar St. Mayor Tergin thanked JC Parks for decorating the tree and hosting the event.
- Downtown Living Windows was December 2nd. City Staff including Katrina Williams and David Bange promoted the Active Transportation Plan with a bicycle pedaling, powered Christmas tree. Maps, displays and an opportunity to take a survey were also part of their interactive set-up.
- The annual Christmas parade was December 3rd. Mayor Tergin thanked Octavia Ailsworth, Lincoln University City Council Representative for assisting the News Tribune in narrating the live-streamed parade.
- Candidate filing for the April 4th City Elections begins Tuesday, December 6th at 8:00 A.M. at City Hall, and continues to Tuesday, December 27th at 5:00 P.M.
- Public input for City parking garage options continues to be gathered.

Councilmember Kemna:

- The first Porchfestmas is this Sunday on Forest Hill Dr. Details can be found on JC Parks' website.

LINCOLN UNIVERSITY STUDENT REPRESENTATIVE UPDATE

Octavia Ailsworth provided a Lincoln University update (see attached announcements).

PRESENTATIONS FROM THE GALLERY ON SPECIFIC BILLS OR RESOLUTIONS

There were no presentations at this time.

CONSENT AGENDA

a. Minutes of City Council Meetings: November 21, 2022

b. Declaring Certain City-owned Personal Property Surplus and Authorizing the Disposition by Sale through Auction – Four Police Vehicles

c. Declaring Certain City-owned Personal Property Surplus and Authorizing the Disposition by Sale through Trade-in – Parking Division Bobcat

d. Authorizing a Permissive Use of Right-of-Way for the Installation of a Fence at 3533 Country Club Dr.

e. Authorizing a Permissive Use of Right-of-Way for the Reservation of Two Parking Stalls Adjacent to 232 E. High St. for Valet Parking Service

f. Authorizing Demolition Contracts with Cahills Construction Inc. for the Demolition of 104 Jackson St. ($17,900) and 108 Jackson St. ($26,400)

Councilmember Ward motioned and Councilmember Lester seconded the motion to approve the above items on the Consent Agenda. The motion passed unanimously.

BILLS INTRODUCED

2022-082 sponsored by Councilmember Fitzwater

AN ORDINANCE AUTHORIZING THE MAYOR AND CLERK TO EXECUTE A GRANT AMENDMENT BETWEEN THE CITY OF JEFFERSON AND THE MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION FOR THE PURPOSE OF AN APRON MAINTENANCE PROJECT FOR THE JEFFERSON CITY MEMORIAL AIRPORT.

2022-083 sponsored by Councilmember Ward

AN ORDINANCE OF THE CITY OF JEFFERSON, MISSOURI, DESIGNATING THE "LAFAYETTE STREET AND THE HISTORIC FOOT DISTRICT" AS A HISTORIC LEGACY DISTRICT, AND IDENTIFYING THE BOUNDARIES OF THE "LAFAYETTE STREET AND THE HISTORIC FOOT DISTRICT-HISTORIC LEGACY DISTRICT".

Rachel Senzee, Neighborhood Services Manager presented the bill. She noted this is the first historic legacy district in the country.

Councilmember Ward requested to suspend the rules and take up bill 2022-083 for third reading and passage.

With no objection, bill 2022-083 was third read by title, placed on final passage, and passed by the following roll-call vote as **Ordinance 16295**:

Aye: Deeken, Fitzwater, Hensley, Kemna, Lester, Schreiber, Spencer, Spicer, Ward, and Wiseman
Nay: None

2022-084 sponsored by Councilmember Fitzwater

AN ORDINANCE APPROVING A PLAN FOR AN INDUSTRIAL DEVELOPMENT PROJECT FOR JEFFERSON CITY MEDICAL GROUP, P.C.; AUTHORIZING THE CITY OF JEFFERSON, MISSOURI, TO ISSUE ITS TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BONDS (JCMG – REAL PROPERTY PROJECT), SERIES 2022, IN A PRINCIPAL AMOUNT NOT TO EXCEED $15,700,000, AND ITS TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BONDS (JCMG – PERSONAL PROPERTY PROJECT), SERIES 2022, IN A PRINCIPAL AMOUNT NOT TO EXCEED $2,100,000 TO FINANCE THE COSTS OF SUCH PROJECT; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF THE BONDS.

2022-085 sponsored by Councilmember Fitzwater

AN ORDINANCE OF THE CITY OF JEFFERSON, MISSOURI, FINDING THAT THE AREAS DESCRIBED AS THE 611 JEFFERSON REDEVELOPMENT AREA, 320 MILLER REDEVELOPMENT AREA, AND THE 1226 ADAMS REDEVELOPMENT AREA ARE EACH A BLIGHTED AREA AS DEFINED IN CHAPTER 353 OF THE REVISED STATUTES OF MISSOURI, AS AMENDED AND THAT THE REDEVELOPMENT OF SUCH AREAS IS NECESSARY AND IN THE PUBLIC INTEREST; APPROVING DEVELOPMENT PLANS FOR SUCH AREAS; APPROVING THE EXERCISE OF THE POWER OF EMINENT DOMAIN; AND PROVIDING FURTHER AUTHORITY.

BILLS PENDING

2022-078 Taken Up Under 5(b.)

2022-080 sponsored by Councilmember Wiseman

AN ORDINANCE OF THE CITY OF JEFFERSON, MISSOURI AMENDING SECTION 15-8, EDUCATION PLAN, OF THE PERSONNEL POLICY MANUAL.

Bill 2022-080 was read third time by title, placed on final passage, and passed by the following roll-call vote as **Ordinance 16296**:

Aye: Deeken, Fitzwater, Hensley, Kemna, Lester, Schreiber, Spencer, Spicer, Ward, and Wiseman
Nay: None

2022-081 sponsored by Councilmember Wiseman

AMENDING THE 2022-2023 BUDGET BY RECLASSIFYING THE GOLF COURSE SUPERINTENDENT POSITION TO A PARKS RESOURCES SUPERVISOR, AND A MECHANIC POSITION TO A CONSTRUCTION INSPECTOR POSITION, WITHIN THE DEPARTMENT OF PARKS AND RECREATION.

Bill 2022-081 was read third time by title, placed on final passage, and passed by the following roll-call vote as **Ordinance 16297**:

Aye: Deeken, Fitzwater, Hensley, Kemna, Lester, Schreiber, Spencer, Spicer, Ward, and Wiseman
Nay: None

INFORMAL CALENDAR

There was nothing on the informal calendar at this time.

RESOLUTIONS

RS2022-38 Taken Up Under 5(a.)

PRESENTATIONS FROM THE GALLERY ON OTHER TOPICS

Harsh Bhasin, owner of "The Curry'n' Grill" requested City Council review and amend City Code to allow temporary feathered flag signage to promote businesses. Councilmembers Deeken and Spencer agreed with Mr. Bhasin and indicated City Staff is reviewing the sign code and the topic will be on the January Public Works and Planning Committee meeting agenda.

COUNCIL AND STAFF DISCUSSION OF PRESENTATION TOPICS

There was no discussion at this time.

NEW BUSINESS

- Councilmember Spencer thanked law enforcement for their response to the double homicide event that took place recently on High St. He also mentioned he attended the Living Windows event uptown and felt completely safe with his family as he noticed public safety's presence at the event.
- Mayor Tergin encouraged councilmembers to notify City Staff of concerns related to the City-owned property at 408 Lafayette St. before the item comes back to City Council as an action item. Councilmembers Lester and Ward had questions related to the property's location in a flood plain and what that would mean for a future purchase and renovation. The item will be on the January Public Works & Planning Committee meeting agenda.
- Councilmember Spencer asked for an update on the Evergreen Salary Study. Gail Strope, Human Resources Director expects the study to be completed by the end of the month.

CLOSED SESSION

Pursuant to Sec. 610.021 of the Revised Statutes of Missouri, Mayor Tergin entertained a motion to go into Closed Session to discuss the following:

i. Real Estate [Sec. 610.021(2)]

A motion was made by Councilmember Spicer to go into Closed Session for the above-stated reason, seconded by Councilmember Wiseman and approved by the following roll-call vote at 7:07 P.M.:

Aye: Deeken, Fitzwater, Hensley, Kemna, Lester, Schreiber, Spencer, Spicer, Ward, and Wiseman
Nay: None

RECONVENE IN OPEN SESSION

Following the Closed Session, the City Council reconvened in Open Session at 7:33 P.M. with the following Councilmembers present:

Present: Deeken, Fitzwater, Hensley, Kemna, Lester, Schreiber, Spencer, Spicer, Ward, and Wiseman
Absent: None

UNFINISHED BUSINESS

There was no unfinished business at this time.

ADJOURNMENT

A motion to adjourn was made by Councilmember Wiseman, seconded by Councilmember Spicer, and approved unanimously at 7:33 P.M.

Octavia Ailsworth
Lincoln University Agenda
City Council Meeting 12/5/2022

LU Annual Christmas Concert

On Friday, December 2nd the LU Annual Christmas Concert was held in Mitchell Auditorium at Richardson Fines Art Center.

83rd Annual Jefferson City Jaycees Christmas Parade

On Saturday December 3rd, several Lincoln University organizations such as the Marching Musical Storm and Mr. and Miss Lincoln University of MO participated in the 83rd Annual Jefferson City Jaycees Christmas Parade.

LU Holiday Extravaganza

Lincoln University would like to invite everyone to the Holiday Extravaganza. It will take place tomorrow Tuesday, December 6th from 6pm-9pm on the Quad; 818 Chesnut Street, Jefferson City, MO 65101. The Holiday Extravaganza will feature a tree lighting ceremony, Santa's workshop, performances by the Lincoln University Choir, and a special visit from Santa.

Alpha Phi Alpha Fraternity Inc. Coat Drive

Alpha Phi Alpha Fraternity Inc. is hosting a coat drive. They are collecting new or gently used coats of all sizes now through January 23, 2023, for distribution on January 25, 2023. Collection sites are Koolrunnin Yardi's at 226 E Dunklin Street, Jefferson City, MO and Dawson Learning Center, Dawson Hall, 711 Lee Drive, Jefferson City, MO.

ROTC Fall Commissioning Ceremony

On Friday, December 16th,

the ROTC Fall Commissioning Ceremony, marking the transformation of ROTC Cadets to Second Lieutenants in the United States Army. will be held from 10AM-11AM.

School of Nursing Pinning Ceremony

On Friday, December 16th the School of Nursing Pinning Ceremony which is an initiation of individuals into the profession of nursing will take place from 7pm-8pm.

Winter Break

Lincoln University's winter break will begin on Monday, December 19th and classes will resume on January 17th, 2023.

CONSENT AGENDA STAFF REPORT

ITEM CONSIDERED: Item B

SUBJECT: Authorize $30,000 Historic Preservation Fund Grant Acceptance from Department of Natural Resources, State Historic Preservation Office

DATE CONSIDERED: December 19, 2022

DEPARTMENT DIRECTOR(S): _____

CITY ADMINISTRATOR: _____

This grant will provide funds for hiring a consultant to complete Design Guidelines for the City of Jefferson. The grant amount is $30,000 with a $20,000 match coming from 10-530 Staff Salaries (10-530-501020 through 502070).

The Consultant will develop Design Guidelines in conjunction with input from the Historic Preservation Commission and the public to establish the architectural character context of the historic district and historic neighborhoods. The design guidelines will assist individuals, businesses, architects, designers, as well as the Historic Preservation Commission, in making consistent and objective decisions involving work and development within historic districts, local landmarks, and historic neighborhoods. The Design Guidelines will help to facilitate the ongoing economic revitalization of the historic areas of the City of Jefferson.

The Design Guidelines shall be based on the Secretary of the Interior's Standards for Rehabilitation. Examples in the new Design Guidelines should incorporate actual historic resources located within the City of Jefferson to the greatest extent possible and appropriate, or, if a resource needed to illustrate or explain an idea is not present locally, a resource as similar in type, material, and/or style to local examples should be used.

Memorandum

To: City Council
From: Department of Planning and Protective Service
Re: Grant Acceptance Over $25,000
For: Consent Agenda

Pursuant to Section 2- 28 of the City Code, I request authority to accept the following Grant:

The name of the grantor:	Missouri Department of Natural Resources, State Historic Preservation Office
The amount of the grant:	$30,000
The purpose of the grant:	The City of Jefferson will hire a 36 CFR 61 qualified historian or architectural historian to develop Design Guidelines for the City of Jefferson. The Design Guidelines will assist individuals, businesses, architects, and the Historic Preservation Commission in making consistent and objective decisions involving work and development within historic districts, local landmarks, and historic areas of Jefferson City.
Any matching requirements or future obligations tied to acceptance of the grant: GL Acct where matching funds will come from (will be used for budget adjustment upon grant acceptance to make budget authority in expense acct shown below whole)	40% or $20,000 10-530 staff salaries (10-530-501020 through 502070)
CFDA#:	15.904
Grant Award # (if any):	29-22-10029-002
City Department Responsible:	Planning and Protective Services
Employee assigned as Grant Administrator:	Karlie Reinkemeyer
Revenue account # to be amended:	10530-430010 Federal Grants
Expense account # to be amended:	10-530-550039 Historic Preservation Grant
Reviewed by Finance:	

Please NOTE: Upon Approval of the Consent Agenda, the City Administrator may, on behalf of the city execute any documents necessary for accepting the grant and amend the budget to reflect the acceptance of such revenue, and amend the budget to reflect equivalent expenses so as to accomplish the purpose of such funds.

For Finance Department Use only:
Approved on the Consent Agenda this _____ day of _____, 20_____

DEPARTMENT OF PLANNING AND PROTECTIVE SERVICES

MEMORANDUM

TO: Steve Crowell, City Administrator

THROUGH: Sonny Sanders, Director of Planning and Protective Services

FROM: Rachel Senzee, Neighborhood Services Supervisor

DATE: November 18, 2022

RE: Budget Adjustment out of Staff Salaries for HPF Match

The City is the recipient of two Historic Preservation Fund Awards:

1. Design Guidelines - $30,000 federal share/$20,000 match
2. West Main Phase II Survey - $13,800 federal share/$9,200 match

A total amount of $29,200 in match is required for grant acceptance. Neighborhood Services is requesting permission to do a budget adjustment out of 10-530 staff salaries (10-530-501020-502070) in order to provide the match for each respective grant.

Staff salary obligations have shifted with the acceptance of other federal grants that allow administrative costs, of which will cover the staff salaries originally budgeted out of 10-530.

Please contact Sonny Sanders with any questions.

RS

Enclosures

11/17/22
Authorization to move the money as desinated:

MISSOURI DEPARTMENT OF NATURAL RESOURCES

FINANCIAL ASSISTANCE AGREEMENT

Assistance as described herein is hereby offered and accepted effective upon signature of authorized officials for the dates indicated in Budget Period and Project Period below.

RECIPIENT INFORMATION

RECIPIENT NAME	RECIPIENT TELEPHONE NUMBER WITH AREA CODE
City of Jefferson	(573) 634 - 6457

ADDRESS	CITY	STATE	ZIP CODE
320 East McCarty Street	Jefferson City	MO	65101

UNIQUE ENTITY ID	PROJECT NUMBER	BUDGET PERIOD	PROJECT PERIOD
VDNHEABWLHK6	29-22-10029-002	08/01/2022-02/29/2024	08/01/2022-02/29/2024

RECIPIENT PROJECT MANAGER NAME	RECIPIENT PROJECT EMAIL ADDRESS	PROJECT MANAGER TELEPHONE NUMBER WITH AREA CODE
Karlie Reinkemeyer	Kreinkemeyer@jeffcitymo.org	(573) 634 - 6564

PROJECT INFORMATION

RECIPIENT PROJECT TITLE AND PROJECT DESCRIPTION (ATTACH ADDITIONAL PAGES AS NECESSARY)

City of Jefferson: Design Guidelines – the total cost of this project is $50,000.00. The maximum amount of the grant is $30,000.00. The City of Jefferson has committed to paying all costs in excess of the $20,000.00.
Attachment A: Scope, Purpose, and Description of grant activities
Attachment B: Terms and Conditions (Revised 1/27/2021)
Attachment C: Federal to State Notice of Award

TYPE OF ASSISTANCE	SOURCE OF FUNDING	CFDA NUMBER	CFDA NAME
New Award X Amendment ☐	Federal X State ☐ Other ☐	15.904	Historic Preservation Fund Grants-In-Aid

STATE PROJECT MANAGER NAME	STATE PROJECT MANAGER TELEPHONE NUMBER WITH AREA CODE	INDIRECT COST RATE FOR RECIPIENT
Andrew Dial	(573) 751 - 7958	%

RESEARCH AND DEVELOPMENT	RESEARCH AND DEVELOPMENT COMMENTS IF NEEDED
YES ☐ NO X	

PROJECT FUNDING	Original Amount	Original Percentage	Amended Amount	Amended Percentage	Total Amount	Total Percentage
Federal Award:	$ 30,000.00	60.00 %	$	%	$ 30,000.00	60.00 %
State/Other Award:	$	%	$	%	$ 0.00	%
Recipient Match:	$ 20,000.00	40.00 %	$	%	$ 20,000.00	40.00 %
Total Award:	$ 50,000.00	100.00%	$ 0.00	%	$ 50,000.00	100.00%

AGREEMENT ADMINISTRATION

THE RECIPIENT AGREES TO ADMINISTER THIS AGREEMENT IN ACCORDANCE WITH ALL APPLICABLE FEDERAL AND STATE REGULATIONS INCLUDING, BUT NOT LIMITED TO:

APPLICABLE PROGRAM GUIDELINES	RECIPIENT APPLICATION, AS NEGOTIATED, DATED
National Historic Preservation Act, 36CFR61,RSMo. Chapter 253.408 and HPF Grants Manual	09/21/2021

BUDGET PLAN	DETAILED SCOPE OF WORK	SPECIAL CONDITIONS	GENERAL TERMS AND CONDITIONS	SUSPENSION/DEBARMENT	PUBLIC LAW
Attachment # A	Attachment # A	Attachment # A	Attachment # B	Attachment # B	Attachment #

PUBLICATIONS	EPA MBE/WBE UTILIZATION	CERTIFICATE REGARDING LOBBYING	INVOICE	ADDITIONAL ATTACHMENTS	
Attachment #	Attachment #	Attachment # B	Attachment #	Attachment # C	Attachment #

AMENDMENT INFORMATION

AMENDMENT ID	AMENDMENT DESCRIPTION (ATTACH ADDITIONAL PAGES AS NECESSARY)

FEDERAL AWARD INFORMATION (ATTACH ADDITIONAL PAGES AS NECESSARY)

FEDERAL AWARD PROJECT TITLE AND DESCRIPTION

2022 Historic Preservation Fund Grant to Missouri: The objective is to provide Historic Preservation Fund money to State Historic Preservation Officers for the protection and conservation of state and local cultural and historic assets and to assist them in executing their historic preservation programs and activities pursuant to 54 U.S.C. 3000101 et seq (commonly known as the National Historic Preservation Act).

FEDERAL AWARDING AGENCY	FEDERAL AWARD ID NUMBER	PASS THROUGH ENTITY NAME
National Park Service	29-22-10029	MoDNR, State Historic Preservation Office

FEDERAL FUNDING YEAR	FEDERAL AWARD DATE	TOTAL AMOUNT OF FEDERAL AWARD	INDIRECT COST RATE FOR MoDNR
2022	10/01/2021	$1,169,522.00	15.36%

APPROVAL

DEPARTMENT OF NATURAL RESOURCES DIRECTOR OR DESIGNEE NAME (TYPED)	SIGNATURE	DATE
David Kelly, Director Missouri State Parks		

RECIPIENT ORGANIZATION AUTHORIZED OFFICIAL NAME AND TITLE (TYPED)	SIGNATURE	DATE
Carrie Tergin, Mayor		

Instructions for MoDNR staff completing Financial Assistance Agreement Form

Recipient Information: complete all fields

- Recipient Name – Must match the registered name in the System for Award Management (SAM). If the recipient is not yet registered in SAM, then they should be provided with information on how to register (http://www.sam.gov).
- Unique Identifier – Must match the unique identifier number in SAM. Currently it is the recipient's Data Universal Numbering System (DUNS) number which the recipient must have prior to the award. DUNS numbers may be obtained without charge at http://fedgov.dnb.com/webform.

Project Information: complete all fields

- CFDA Number – The Catalog of Federal Domestic Assistance (CFDA) number is found on the Notice of Award.
- CDFA Name – Is found on the Notice of Award.
- Research and Development Comments – Complete field if checking "Yes" in the Research and Development field.
- Project Funding – The Original Amount, Original Percent, Total Amount and Total Percentage fields must be completed. If the original agreement amount is being amended, the Amended Amount and Amended Percentage fields must also be completed.

Agreement Administration: complete all applicable fields.
Attachments included in the agreement packet should all be identified in this section.

Amendment Information: complete all fields if amending the agreement

- Amendment ID – Enter the amendment number (i.e., enter "1" if it is the first amendment, enter "2" if it is the second amendment, etc.).
- Amendment Description – Summarize what is being amended. Example: Original agreement amount is being increased by $500,000 and the Budget Period and Project Periods are being extended six months.

Federal Award Information: Complete all fields if using federal funds for any part of the award. If the award is being funded by multiple federal grants, information on each grant must be included as an attachment.

- Federal Award Project Title and Description – Refer to the Notice of Award from the federal agency.
- Federal Awarding Agency – Designate from which federal agency MoDNR received pass through funds.
- Federal Award ID Number – Refer to the Notice of Award.
- Pass Through Entity Name – Enter information in this format: *Division*, *Program.*
- Federal Funding Year – Federal year the funding is provided.
- Federal Award Date – Date the federal award is signed by the authorized official of the Federal awarding agency. Refer to the Notice of Award.
- Total Amount of Federal Award – Enter the total amount awarded by the federal agency to include any amended amounts. Refer to the Notice of Award.
- Indirect Cost Rate for MoDNR – Current MoDNR rates can be found at http://n-nr1ntra.ads.state.mo.us/das/rates-current.htm .

Approval: complete fields below

- Department of Natural Resources Director Or Designee – Enter the name of the MoDNR director.
- Recipient Organization Authorized Official Name and Title – Enter the name and title of the person who will be signing on behalf of the recipient organization, if known.

ATTACHMENT A:
SCOPE, PURPOSE AND DESCRIPTION OF GRANT ACTIVITIES
City of Jefferson, Missouri
Design Guidelines
Project No. 29-22-10029-002

Starting Date: August 1, 2022
Ending Date: February 29, 2024

I. SCOPE AND PURPOSE:

The City of Jefferson will develop and adopt Design Guidelines in conjunction with input from the Historic Preservation Commission and the public to establish the architectural character context of historic district and historic neighborhoods. The design guidelines will assist individuals, businesses, architects, designers, as well as the Historic Preservation Commission, in making consistent and objective decisions involving work and development within historic districts, local landmarks, and historic neighborhoods. The Design Guidelines will help to facilitate ongoing economic revitalization of the historic areas of Jefferson City.

The Design Guidelines shall be based on the Secretary of the Interior's Standards for Rehabilitation. Examples in the new Design Guidelines should incorporate actual historic resources located within Jefferson City to the greatest extent possible and appropriate, or, if a resource needed to illustrate or explain an idea is not present locally, a resource as similar in type, material, and/or style to local examples should be used.

The city will hire a qualified historic architect (consultant), as defined in Section II, Activities & Functions, to work with a guidelines workgroup to inform the city in developing the Design Guideline document.

All guidance and recommendations within the new Design Guidelines shall comply with the Secretary of the Interior's Standards and Guidelines for Historic Preservation. The new Design Guidelines may incorporate examples from The Guidelines for the Treatment of Historic Properties, as well as Preservation Briefs and Preservation Tech Notes, all prepared by the National Park Service.

II. ACTIVITIES AND FUNCTIONS:

A. Consultant Selection Process

The City of Jefferson shall contract with a historic architect (consultant) that meets the Secretary of the Interior's Professional Qualification Standards, as outlined in the Code of Federal Regulations 36 CFR Part 61. A Request for Qualifications (RFQ) shall be issued to select the consultant. The sub-recipient shall require the language of the certification and terms applicable to financial assistance awards to be included in sub-award document at all tiers, and sub-recipients shall certify and disclose accordingly, pursuant to 2 CFR 200.331.

The Request for Proposals (RFP) shall include a copy of Attachment A: Scope, Purpose and Description of Grant Activities and the Milestone Schedule from the Grant Agreement with financial information removed. All contractual deadlines established with the Consultant shall not conflict with milestone deadlines set in the grant agreement. City staff will serve as the primary point of contact for this project and will be expected to ensure milestones are submitted to the HPF Grant Manager or their designee on a timely basis. A draft RFP will be sent to the HPF Grant Manager or their designee for approval **prior to initiating the bid process**.

Documentation of the Consultant selection process and a draft of the contract shall be submitted to the HPF Grant Manager or their designee for approval **before it is signed**.

B. Preparation of New Design Guidelines

The development of Design Guidelines shall follow NPS guidance on Creating and Using Design Guidelines found at https://www.nps.gov/tps/education/workingonthepast/sectionc.pdf or on Creating and Using Design Guidelines (nps.gov) or on subsequent pages. As noted in the NPS guidance, the design guidelines for other historic districts should be reviewed to understand how they express and illustrate preservation concepts. Upon request the SHPO office can provide links to example design guidelines for other Missouri communities.

The consultant will prepare the Design Guidelines document. It shall include sections for, but not limited to, the rehabilitation of commercial buildings, rehabilitation of residential buildings, buildings to be constructed as infill on empty lots, and site planning. They shall also include information on the maintenance, repair and replacement of materials as well as guidance on new construction in the district. The Design Guidelines will incorporate individual appendices that will focus on individual historic districts by examining character-defining historic elements of each district.

Drafts of the Design Guidelines at approximately 30% and 70% will be required to be submitted to the HPF Grant Manager or their designee for review, comment, and approval. They shall include as much visual data as is practicable to demonstrate the various recommendations, including line drawings, photographs, plans, renderings, and/or other graphics. Photographs and rendering are preferred to be in color; line drawings may be in black and white. Each draft will contain the visual data expected to be used for the text that is included when it is submitted to the HPF Grant Manager or their designee for review.

The following shall be completed for the milestones noted in the Milestone/Payment Schedule:

1. Prior to posting the Request for Qualifications (RFQ) a draft of the RFQ shall be submitted to the HPF Grant Manager or their designee for review and approval. The RFQ should include links to the NPS guidance on Creating and Using Design Guidelines.

2. Documentation of the consultant selection process shall be submitted to the HPF Grant Manager or their designee for review and approval. Include:

    a. List of individuals or entities contacted,

    b. Evaluation Form used in selecting the consultant,

    c. List of those persons reviewing the Evaluation Forms during selection,

    d. A draft of the negotiated consultant contract prior to signature.

3. Submit copy of the signed consultant contract.

4. Submit documentation of the first public meeting, include press release, newspaper/web

advertisement and sign-in sheet. See subsection C for further information on public meetings.

5. Submit the electronic version of the document using an approved electronic file transfer option. Discuss these options with the HPF Grant Manager or their designee prior to submission.

6. Submit documentation of second public meeting, including press release, newspaper/web advertisement, and sign-in sheet. See subsection C for further information about public meetings.

7. Submit the second draft of the document in electronic format using an approved electronic file transfer option.

8. Submit the final version of the Design Guidelines in electronic format using an approved file transfer option.

9. The final version of the new Design Guidelines document will be posted on the City of Jefferson's website. The document will continue to be publicly available until a newer version of the document is developed.

10. Submit documentation of the final public meeting, including press release, newspaper/web advertisement, and sign-in sheet. See subsection C for further information on public meetings.

C. Public Meetings

The grant recipient will conduct a minimum of three public meetings in Jefferson City to inform the interested public about the goals and scope of the design guidelines. The documentation required for the public meeting will include a copy of the public meeting notice, the agenda, and the sign-in sheet or record of attendance.

III. SPECIAL CONDITIONS:

A. As a recipient of a federal subaward, the City of Jefferson is hereby reminded that it is subject to the requirements of 2 CFR 200.1 "Subaward", 200.101 "Applicability", and 200.331 "Requirements for pass-through entities."

B. The procedures and requirements contained herein are subject to applicable laws and regulations, and any changes made to these laws and regulations, subsequent to the execution of this agreement. In the event that these procedures and requirements conflict with applicable federal laws, regulations and policies, the following order of precedence will prevail:
   1. Federal law
   2. Code of Federal Regulations
   3. Terms and conditions of grant award
   4. Historic Preservation Fund Grant Manual

The provisions included herein shall also be applied by the State to subgrantees and contractors performing work under this program.

C. It is agreed that if the project should fall one (1) month behind the milestones, the Missouri Department of Natural Resources has the right unilaterally to terminate or reduce the dollar amount of this agreement. In addition, if the Department determines that full termination is warranted, the Department shall be sole authority in determining the amount of compensation owed.

D. All work related to this project will either be supervised or completed by personnel who meet 36 CFR 61, Appendix A, professional qualifications.

E. The Jefferson City Historic Preservation Commission will have an opportunity to review and comment on milestone products before they are submitted to the HPF Grant Manager or their designee if they so choose. Any Commission comments will be submitted with the corresponding milestone to the HPF Grant Manager or their designee.

F. All grant project funded publications, books, brochures and all public meeting notices regarding this grant project shall include the following acknowledgement:

This material was produced with assistance from the Historic Preservation Fund, administered by the National Park Service, Department of the Interior, of the U.S. Government and Missouri Department of Natural Resources, State Historic Preservation Office. Any opinions, findings, and conclusions or recommendations expressed in this material are those of the author(s) and do not necessarily reflect the views of the Department of the Interior or the Department of Natural Resources, State Historic Preservation Office, nor does the mention of trade names or commercial products constitute endorsement or recommendation.

[This acknowledgement may be in any size type on the notice]

Project work will be completed and payments made according to the milestone/payment schedule and project budget that follows.

MILESTONE/PAYMENT SCHEDULE
City of Jefferson, Missouri
Design Guidelines
Project No. 29-22-10029-002

Starting Date: August 1, 2022
Ending Date: February 29, 2024

Milestone	Product	Date Due	Federal Share	Non-Federal Share
#1	Submit a draft RFP to the HPF Grant Manager or their designee **before** the bid process is initiated.	12/01/2022	$ 0	$ 0
#2	Submit documentation of the consultant selection process and a draft of the consultant contract **prior to signature** submitted to the HPF Grant Manager or their designee for review and approval.	01/02/2023	$ 0	$ 0
#3	Submit a copy of signed consultant contract to the HPF Grant Manager or their designee.	02/01/2023	$ 0	$ 0
#4	Submit to HPF Grant Manager or their designee sign-in sheet and minutes from first public meeting.	3/15/2023	$ 0	$ 0
#5	Submit to HPF Grant Manager or their designee the first draft of the design guidelines for review and approval.	8/01/2023	$ 0	$ 0
#6	Submit to HPF Grant Manager or their designee the sign-in sheet and minutes from second public meeting.	8/15/2023	Estimated 50% of expenses	Estimated 50% of expenses
#7	Submit second draft (100%) of the Design Guidelines to the HPF Grant Manager or their designee for review and approval, complete with all text, photography and graphic design. Submit sign-in sheet and minutes from third public meeting.	11/15/2023	$ 0	$ 0
#8	Submit URL for City's website where the final completed design guidelines are posted to HPF Grant Manager or their designee.	01/31/2024	$ 0	$ 0
#9	Submission of final project report and fiscal data.	02/29/2024	Estimated remaining expenses	Estimated remaining expenses
	TOTALS:		**$30,000.00**	**$20,000.00**

BUDGET
City of Jefferson, Missouri
Design Guidelines
Project No. 29-22-10029-002

Starting Date: August 1, 2022
Ending Date: February 29, 2024

Cost Category	Federal Share	Non-Federal Cash	Total Cost
Contractor	$ 30,000.00	$ 20,000.00	$ 50,000.00
Total	**$30,000.00**	**$ 20,000.00**	**$ 50,000.00**

MISSOURI DEPARTMENT OF NATURAL RESOURCES
Federal Financial Assistance Agreements
General Terms and Conditions

These general terms and conditions highlight requirements which are especially pertinent to federal assistance agreements made by the Missouri Department of Natural Resources. These general terms and conditions do not set out all of the provisions of the applicable laws and regulations, nor do they represent an exhaustive list of all requirements applicable to this award. These terms and conditions are emphasized here because they are frequently invoked and their violation is of serious concern.

Pursuant to 2 CFR 200.331, the sub-recipient shall require the language of the certifications and terms applicable to financial assistance awards to be included in sub-award document at all tiers and all sub-recipients shall certify and disclose accordingly. This "flow down" requirement imposed on the sponsoring agent by the Department is to ensure the financial assistance agreement is used in accordance with Federal statues, regulations and the terms of the agreement. The sponsoring agent is accountable to the Department for compliance with Federal requirements. In turn, the Department is responsible to federal agency for ensuring sponsoring agents comply with Federal requirements and with federal General Terms and Conditions:

In addition to these terms and conditions, the recipient must comply with all governing requirements of their financial assistance agreement, including the Title 2 Grants and Agreements, Chapter II Part 200 of the Code of Federal Regulation, under the title "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards." The regulations can be found at http://www.ecfr.gov/cgi-bin/text-idx?SID=da74e925e27b89e7f8625019850377cf&tpl=/ecfrbrowse/Title02/2tab_02.tpl.

I. Administrative Requirements

A. **Method of Payment**. The recipient will be reimbursed by the Department for all allowable expenses incurred in performing the scope of services. The recipient shall report project expenses and submit to the Department original payment requests as required by division/program per the financial assistance agreement. The form must be completed with the Department payment request amount and local share detailed, if applicable. Payment requests must provide a breakdown of project expenses by the budget categories contained in the financial assistance agreement budget. Payment requests must be received by the Department per the financial assistance agreement. No reimbursement will be made for expenditures prior to award unless approval for pre-award costs has been granted. No reimbursements will be made for expenditures incurred after the closing budget date unless a budget time period extension has been granted by the Department prior to the closing budget date.

1. Payments under non-construction grants will be based on the grant sharing ratio as applied to the total agreed project cost for each invoice submitted unless the financial assistance agreement specifically provides for advance

payments. Advance payments may only be made upon a showing of good cause or special circumstances, as determined by the Department and must be as close as is administratively feasible to the actual disbursement. Advance payments will only be made to cover estimated expenditures as agreed. The Department will not advance more than 25% of the total amount of the grant unless the recipient demonstrates good cause.

2. All payment requests must have the following certification by the authorized recipient official: By signing this report, I certify to the best of my knowledge and belief the report is true, complete and accurate and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the financial assistance agreement. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.

B. **Retention and Custodial Requirements for Records**. The recipient shall retain financial records, supporting documents, statistical records and all other records pertinent to the financial assistance agreement for a period of five years starting from the date of submission of the final payment request. Authorized representatives of federal awarding agencies, the Federal Inspectors General, the Comptroller General of the United States, the State Auditor's Office, the Department or any of their designees shall have access to any pertinent books, documents, and records of recipient in order to conduct audits or examinations. The recipient agrees to allow monitoring and auditing by the Department and/or authorized representative. If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the five year period, the recipient shall retain records until all litigations, claims or audit findings involving the records have been resolved and final action taken.

C. **Program Income**.

1. The recipient is encouraged to earn income to defray program costs. Program income means gross income earned that is directly generated by a supported activity or earned as a result of the financial assistance agreement during the period of performance. Program income includes but is not limited to income from: fees for services performed, the use or rental of real or personal property acquired with financial assistance funds, the sale of commodities or items fabricated under the financial assistance agreement, license fees and royalties on patents and copyrights and payments of principal and interest on loans made with financial assistance funds. Program income does not include items such as rebates, credits, discounts, or refunds and interest earned.

2. Program income shall be deducted from total allowable outlays to determine net allowable costs. With prior approval of the federal awarding agency, program income may be added to the federal award or used to meet cost sharing or matching requirements. The default deductive alternative requires that program income be deducted from total allowable costs to determine the net allowable amount to which the respective matching ratios are applied. For example, 50/50 share ratio agreement with total allowable costs of $10,000 that earns $1,000 in program income would result in $4,500 net share and a $4,500 net financial assistance share.

D. **Match or Cost Share Funding**. In general, match or cost sharing represents that portion of project costs not borne by state appropriations. The matching share will usually be prescribed as a minimum percentage. In-kind (noncash) contributions are allowable project costs when they directly benefit and are necessary and reasonable for the accomplishment of the project or program objectives. Any in-kind match must be assigned a fair market value consistent with those paid for similar work in the labor market and be documented and verifiable. Neither costs nor the values of third party in-kind contributions count towards satisfying a cost sharing or matching requirement of a grant agreement if they have been or will be counted towards satisfying a cost sharing or matching requirement of another federal financial assistance agreement, a federal procurement contract, or any other award of federal funds. Federal funds from another federal grant or financial assistance agreement shall not count towards satisfying a cost sharing or matching requirement of a grant agreement.

1. Match or cost share funding will be established by the Department through negotiation with the recipient. Signature by both the Department and recipient on the financial assistance agreement form firmly affixes the match or cost sharing ratios. Full expenditure of recipient match or cost share funding is required over the life of the financial assistance agreement. Recipient must submit payment requests to the Department, as required by the financial assistance agreement, and provide financial records for total expenditure of state and match or cost share funding. The Department will reimburse the recipient for its percentage portion agreed to less any negotiated withholding.

2. Failure to provide 100% of the match or cost share ratio of total expenditures as identified in the financial assistance agreement may cause the recipient to become ineligible to receive additional financial assistance from the Department. Failure to provide the required match may result in other enforcement remedies as stated in Y. for noncompliance.

E. **Financial Management Systems**. The financial management systems of the recipient must meet the following standards:

1. Financial Reporting. Accurate, current, and complete disclosure of financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the financial assistance agreement;

2. Accounting Records. Maintain records which adequately identify the source and application of funds provided for financially assisted activities to include the CFDA title and number, Federal Award Identification Number (FAIN) and year, name of the federal agency and pass-thru entity. These records must contain information pertaining to financial assistance awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income;

3. Internal Control. Effective written internal controls and accountability must be maintained for all recipient cash, real and personal property, and other assets. The recipient must adequately safeguard all such property and must assure that it is used solely for authorized purposes. These internal controls should be in compliance with guidance in the "Standards for Internal Control in the Federal Government" and the "Internal Control Integrated Framework";

4. Budget Control. Actual expenditures or outlays must be compared with budgeted amounts for each financial assistance agreement;

5. Allowable Costs. OMB cost principles, applicable federal agency program regulations, and the financial assistance agreement scope of work will be followed in determining the reasonableness, allowability and allocability of costs;

6. Source Documentation. Records must adequately identify the source and application of funds for federally funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation. The documentation must be made available by the recipient at the Department's request or any of the following: authorized representatives of the federal awarding agency, the Federal Inspector General, the Comptroller General of the United States, State Auditor's Office or any of their designees;

7. The recipient shall have written procedures in place to minimize the time lapsed between money disbursed by the Department and spent by the recipient.

F. **Reporting of Program Performance**. The recipient shall submit to the Department a performance report for each program, function, or activity as specified by the financial assistance agreement or at least annually and/or after completion of the project. Performance report requirements, if not expressly stated in the scope of work, should include, at a minimum, a comparison of actual accomplishments to the goals established, reasons why goals were not met, including analysis and explanation of cost overruns or higher unit cost when appropriate, and other pertinent information. Representatives of the Department, the federal awarding agency, the Federal Inspector General, the Comptroller General of the United States, State Auditor's Office or any of their designees shall have the right to visit the project site(s) during reasonable hours for the duration of the contract period and for five years thereafter.

G. **Budget and Scope of Work Revisions**. The recipient is permitted to rebudget within the approved direct cost budget to meet unanticipated requirements. The following is a non-exclusive listing of when a recipient must request approval in writing to revise budgets and scopes of work under the following conditions:

1. For non-construction grants, the recipient shall obtain the prior approval of the Department, unless waived by the Department, for cumulative transfers among direct cost categories, or, if applicable, among separately budgeted programs, projects, functions or activities when the accumulative amounts of such transfers exceed or are expected to exceed 10% of the current total approved budget whenever the Department's share exceeds the simplified acquisition amount threshold.

2. For construction and non-construction projects, the recipient shall obtain prior written approval from the Department for any budget revision which would result in the need for additional funds.

3. For combined non-construction and construction projects, the recipient must obtain prior written approval from the Department before making any fund or budget transfer from the non-construction to construction or vice versa.

4. A recipient under non-construction projects must obtain prior written approval from the Department whenever contracting out, subgranting, or otherwise obtaining a third party to perform activities which are central to the purpose of the award.

5. Changes to the scope of services, including changes to key personnel described in the financial assistance agreement, must receive prior approval from the Department. Approved changes in the scope of work or budget shall be incorporated by written amendment to the financial assistance agreement.

6. The disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator.

7. Changes in the amount of approved cost-sharing or matching provided by the recipient. No other prior approval requirements for specific items may be imposed unless a deviation has been approved.

8. Initiate a one-time extension of the period of performance by up to 12 months unless one or more of the conditions outlined below apply. For one-time extensions, the recipient must notify the Department in writing with the supporting reasons and revised period of performance at least 90 calendar days before the end of the period of performance specified in the financial assistance agreement. This one-time extension may not be exercised merely for the purpose of using unobligated balances. Extensions require explicit prior approval from Department when:

    a. The terms and conditions of the financial assistance agreement prohibit the extension.

    b. The extension requires additional funds.

    c. The extension involves any change in the approved objectives or scope of the project.

    d. Carry forward unobligated balances to subsequent period of performance.

9. Extending the agreement past the original completion date requires approval of the Department.

H. **Equipment Use**. The recipient agrees that any equipment purchased pursuant to this agreement shall be used for the performance of services under this agreement during the term of this agreement. The recipient may not use equipment purchased pursuant to this agreement for any other purpose without approval from the Department. The equipment shall not be moved from the State of Missouri without approval from the Department. State agencies shall follow the Code of State Regulations. The following standards shall govern the utilization and disposition of equipment acquired with financial assistance funds:

1. Title to equipment acquired under this financial assistance agreement will vest with the recipient on acquisition. Equipment means an article of nonexpendable, tangible personal property (including information technology systems) having a useful life of more than one year and a per unit acquisition cost which equals or exceed the lesser of the capitalization level established by the recipient for financial statement purposes or $5,000.

a. Equipment shall be used by the recipient in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by Department funds. When no longer needed for the original program or project, the equipment may be used in other activities currently or previously supported by the Department or the federal agency. If the Department puts the recipient on notice that it believes assistance assets are not being used for the intended purpose, the recipient shall not sell, give away, move or abandon the assets without the Department's prior written approval.

b. The recipient shall also make equipment available for use on other projects or programs currently or previously supported by the Department, providing such use will not interfere with the work on the projects or program for which it was originally acquired. User fees should be considered if appropriate.

c. The recipient must not use equipment acquired with funding from this financial assistance agreement to provide services for a fee to compete unfairly with private companies that provide equivalent services, unless specifically permitted or contemplated by state or federal law. This fee may be considered program income under Section C, Program Income.

d. When acquiring replacement equipment, the recipient may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property, subject to the approval of the Department.

2. Equipment Management. The recipient's procedures for managing equipment, whether acquired in whole or in part with financial assistance funds, will, at a minimum, meet the following requirements until disposition takes place:

a. The recipient must maintain property records that include a description of the equipment, a serial number or other identification number, the source of funding, the acquisition date, cost of the property, percentage of federal or state participation in the cost of the property, the location, use and condition of the property and disposition information including the date of the disposal and sale price of the property.

b. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

c. A control system must be developed to ensure adequate safeguards to prevent against loss, damage, or theft of the property. Any loss, damage, or theft shall be reported to and investigated by local authorities. The recipient shall procure and maintain insurance covering loss or damage to equipment purchased with a financial assistance agreement, with financially sound and reputable insurance companies or through self-insurance. Amounts and coverage of such risks should be that which are usually carried by companies engaged in the same or similar business and similarly situated.

d. The recipient must develop adequate maintenance procedures to keep the property in good condition.

e. If the recipient is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

3. Disposition. When original or replacement equipment acquired under the financial assistance agreement is no longer needed for the original project or program or for other activities currently or previously supported by the Department, the recipient shall dispose of the equipment as follows:

a. Items of equipment with a current per-unit fair market value $5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the Department.

b. For items of equipment with a current per unit fair market value of more than $5,000, the Department shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the Department's share of the equipment. Disposition instructions must be requested from the Department when equipment is no longer needed.

c. In cases where a recipient fails to take appropriate disposition actions, the Department may direct the recipient how to dispose of the equipment.

d. If the Department puts the recipient on notice that it believes assistance assets are not being used for the intended purpose, the recipient shall not sell, give away, move or abandon the asset without Department's written approval.

I. **Supplies**. The recipient agrees that all supplies purchased pursuant to this agreement shall be used for the performance of services under this agreement during the term of this agreement. Title to supplies acquired under a financial assistance agreement will

vest, upon acquisitions, with the recipient. If there is a residual inventory of unused supplies exceeding $5,000 in total aggregate fair market value upon termination or completion of the award, and if the supplies are not needed for any other federally sponsored programs or projects, the recipient shall compensate the department for its share. The recipient must not use supplies acquired with funding from this financial assistance agreement to provide services for a fee to compete unfairly with private companies that provide equivalent services, unless specifically permitted or contemplated by state or federal law. This fee may be considered program income under Section C, Program Income.

J. **Inventions and Patents**. If any recipient produces subject matter, which is or may be patentable in the course of work sponsored by this financial assistance agreement, the recipient shall promptly and fully disclose such subject matter in writing to the Department. In the event that the recipient fails or declines to file Letters of Patent or to recognize patentable subject matter, the Department reserves the right to file the same. The Department grants to the recipient the opportunity to acquire an exclusive license, including the right to sublicense, with a royalty consideration paid to the Department. Payment of royalties by recipient to the Department will be addressed in a separate royalty agreement.

K. **Copyrights**. Except as otherwise provided in the terms and conditions of this financial assistance agreement, the author or the recipient is free to copyright any books, publications, or other copyrightable material developed in the course of this agreement. However, the Department and federal awarding agency reserve a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, with the approval of the Department, the work for government purposes.

L. **Prior Approval for Publications**. The recipient shall submit to the Department two draft copies of each publication and other printed materials which are intended for distribution and are financed, wholly or in part, by financial assistance funds.The recipient shall not print or distribute any publication until receiving written approval by the Department.

M. **Mandatory Disclosures.** The recipient agrees that all statements, press releases, requests for proposals, bid solicitations, and other documents describing the program/project for which funds are now being awarded will include a statement of the percentage of the total cost of the program/project which is financed with federal and state money, and the dollar amount of federal and state funds for the program/project.

N. **Procurement Standards**. The recipient shall use their own documented procurement procedures that reflect applicable state and local laws and regulations provided that procurement conforms to standards set forth in the "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards."

1. No work or services paid for wholly or in part with state or federal funds, will be contracted without the written consent of the Department.

2. The recipient agrees that any contract, interagency agreement, or equipment to be procured under this award which was not included in the approved work plan must receive formal Department approval prior to expenditure of funds associated with that contract, interagency agreement, or equipment purchase.

O. **Audit Requirements**. The Department and the State Auditor's Office have the right to conduct audits of recipients at any time. The recipient shall arrange for independent audits as prescribed in "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, Subpart F", as applicable. Audits must confirm that records accurately reflect the operations of the recipient; the internal control structure provides reasonable assurance that assets are safeguarded, and recipient is in compliance with applicable laws and regulations. When the recipient has its yearly audit conducted by a governmental agency or private auditing firm, the relevant portion(s) of the audit report will be submitted to the Department. Other portions of the audit shall be made available at the Department's request.

P. **Freedom of Information Act.** In response to a Freedom of Information Act (FOIA) request for research data relating to published research findings produced under a Federal award that were used by the Federal government in developing an agency action that has the force and effect of law, the Department must request, and the recipient must provide, within a reasonable time, the research data so that they can be made available to the public through the procedures established under the FOIA. If the Department obtains the research data solely in response to a FOIA request, the Department may charge the requester a reasonable fee equaling the full incremental cost of obtaining the research data. This fee should reflect costs incurred by the Department and the recipient. This fee is in addition to any fees the Federal awarding agency may assess under the FOIA (5 U.S.C. 552(a)(4)(A)).

Q. **Conflicts of Interest**. The recipients must have written standards and policies covering conflicts of interest. No party to this financial assistance agreement, nor any officer, agent, or employee of either party to this assistance agreement, shall participate in any decision related to such assistance agreement which could result in a real or apparent conflict of interest, including any decision which would affect their personal or pecuniary interest, directly or indirectly. The recipient is advised that, consistent with Chapter 105, RSMo, no state employee shall perform any service for consideration paid by the recipient for one year after termination of the employee's state employment by which the former state employee attempts to influence a decision of a state agency. A state employee who leaves state employment is permanently banned from performing any service for any consideration in relation to any case, decision, proceeding, or application in which the employee personally participated during state employment.

R. **State Appropriated Funding**. The recipient agrees that funds expended for the purposes of this financial assistance agreement must be appropriated and made available by the Missouri General Assembly for each fiscal year included within the financial assistance agreement period, as well as being awarded by the federal or state agency supporting the project. Therefore, the financial assistance agreement shall automatically terminate without penalty or termination costs if such funds are not appropriated and/or granted. In the event that funds are not appropriated and/or granted for the financial assistance agreement, the recipient shall not prohibit or otherwise limit the Department's right to pursue alternate solutions and remedies as deemed necessary for the conduct of state government affairs. The requirements stated in this paragraph shall apply to any amendment or the execution of any option to extend the financial assistance agreement.

S. **Eligibility, Debarment and Suspension** (SubPart C). By applying for this financial assistance agreement, the recipient verifies that it, its board of directors, and all of its principals are currently in compliance with all state and federal environmental laws and court orders issued pursuant to those laws, and that all environmental violations have been resolved (for example, no pending or unresolved Notice of Violation (NOV)) at the time of application. If compliance issues exist, the recipient shall disclose to the Department all pending or unresolved violations noted in a NOV, administrative order, or civil and criminal lawsuit, but only where those alleged violations occurred in the State of Missouri. If a NOV occurs during the financial assistance period, the recipient must notify the Department immediately. The Department will not make any award or payment at any time to any party which is debarred or suspended, under federal or state authority, or is otherwise excluded from or ineligible for participation in federal assistance under Executive Order 12549, "Debarment and Suspension." The recipient may access the Excluded Parties List at www.sam.gov.

T. **Restrictions on Lobbying**. No portion of this agreement may be expended by the recipient to pay any person for influencing or attempting to influence the executive or legislative branch with respect to the following actions: awarding of a contract; making of an assistance agreement; making of a loan; entering into a cooperative agreement; or the extension, continuation, renewal, amendment or modification of any of these as prohibited by Section 319, Public Law 101-121 (31 U.S.C. 1352).

   In accordance with the Byrd Anti-Lobbying Amendment, any recipient who makes a prohibited expenditure under Title 40 CFR Part 34 or fails to file the required certification or lobbying forms shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such expenditure.

U. **Recycled Paper.** Consistent with Federal Executive Order 13423 and EPA Executive Order 1000.25, the recipient shall use recycled paper consisting of at least 30% post-consumer fiber and double sided printing for all reports which are prepared as a part of this assistance agreement and delivered to the Department. The recipient must use

recycled paper for any materials that it produces and makes available to any parties. The chasing arrows symbol representing the recycled content of the paper will be clearly displayed on at least one page of any materials provided to any parties.

V. **Contracting with Small and Minority Firms, Women's Business Enterprise, and Labor Surplus Area Firms**. In accordance with Missouri Executive Order No. 15-06 and federal administrative provisions, all recipients shall make every feasible effort to target the percentage of goods and services procured from certified minority business enterprises (MBE) and women business enterprises (WBE) to 10% and 10%, respectively, when utilizing financial assistance funds to purchase supplies, equipment, construction and services related to this financial assistance agreement.

1. The recipient agrees to take all necessary affirmative steps required to assure that small and minority firms and women's business enterprises are used when possible as sources when procuring supplies, equipment, construction and services related to the financial assistance agreement. The recipient agrees to include information about these requirements in solicitation documents. Affirmative steps shall include:

    a. Placing qualified small and minority business and women's business enterprises on solicitation lists;

    b. Ensuring that small and minority business and women's business enterprises are solicited whenever they are potential sources;

    c. Dividing total requirements, when economically feasible, into small tasks or quantities to permit maximum participation by small and minority business and women's business enterprises;

    d. Establishing delivery schedules, where the requirements of work will encourage participation by small and minority business and women's business enterprises;

    e. Using the services of the Small Business Administration, the Minority Business Development Agency of the U.S. Department of Commerce and the MO Office of Equal Opportunity, and;

    f. Requiring any prime contractor or other subrecipients, if subagreements are to be allowed, to take the affirmative steps in subparagraphs a. through e. of this section.

2. For EPA funded financial assistance agreements, the recipient agrees to include disadvantaged business enterprises in the affirmative steps indicated above.For EPA funded financial assistance agreements, when

required the recipient shall utilize EPA form 5700-52A to report to Department procurements under the financial assistance agreement.

W. **Disputes**. The recipient and the Department should attempt to resolve disagreements concerning the administration or performance of the financial assistance agreement. If an agreement cannot be reached, the Department will provide a written decision. Such decision of the Department shall be final unless a request for review is submitted to the division director within ten (10) business days after the decision. Such request shall include: (1) a copy of the Department's final decision; (2) a statement of the amount in dispute; (3) a brief description of the issue(s) involved; and (4) a concise statement of the objections to the final decision. A decision by the Department shall constitute final action.

X. **Termination**

1. Termination for Cause. The Department may terminate any financial assistance agreement, in whole or in part, at any time before the date of completion whenever it is determined that the recipient has failed to comply with the terms and conditions of the financial assistance agreement. The Department shall promptly notify the recipient in writing of such a determination and the reasons for the termination, together with the effective date. The Department reserves the right to withhold all or a portion of agreement funds if the recipient violates any term or condition of this financial assistance agreement. Termination for cause may be considered for evaluating future applications. The recipient may object to terminations with cause and may provide information and documentation challenging the termination.

2. Termination for Convenience. Both the Department and the recipient may terminate the financial assistance agreement, in whole or in part, when both parties agree that the continuation of the project would not produce beneficial results commensurate with the further expenditure of funds.

3. Financial assistance agreements are not transferable to any person or entity.

4. Department and the recipient remain responsible for compliance with all closeout requirements.

Y. **Enforcement; Remedies for Noncompliance**. If the recipient falsifies any award document or materially fails to comply with any term of this financial assistance agreement, the Department may take one or more of the following actions, as appropriate:

1. Suspend or terminate, in whole or part, the current agreement;

2. Disallow all or part of the cost of the activity or action not in compliance;

3. Temporarily withhold cash payments pending the recipient's correction of the deficiency;

4. Withhold further awards from the recipient;

5. Order the recipient not to transfer ownership of equipment purchased with assistance money without prior Department approval; or

6. Take other remedies that may be legally available, including cost recovery, breach of contract, and suspension or debarment.

Z. **Subgrantee's Signature**. The recipient's signature on the application and the award documents signifies the recipient's agreement to all of the terms and conditions of the financial assistance agreement.

AA. **Human Trafficking. This requirement applies to non-profit recipients or subrecipients.** The recipient, their employees, subrecipients under this agreement, and subrecipients' employees may not engage in severe forms of trafficking in persons during the period of time that the agreement is in effect; procure a commercial sex act during the period of time that the award is in effect; or use forced labor in the performance of the agreement or subagreements under the award. The department has the right to terminate unilaterally: (1) implement section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended, noncompliance that are available to the recipient under this agreement.

BB. **Illegal Immigration.** Any municipality that enacts or adopts a sanctuary policy will be ineligible for moneys provided through financial assistance agreements administered by any state agency or department until the policy is repealed or is no longer in effect (Missouri Statutes – RSMo 67.307 (2)). No business entity or employer shall knowingly employ, hire for employment, or continue to employ an unauthorized alien to perform work within the state of Missouri (RSMo 285.525 – 285.530).

CC. **Management Fees.** Management fees or similar charges in excess of the direct costs and approved indirect rates are not allowable. The term "management fees or similar charges" refers to expenses added to the direct costs in order to accumulate and reserve funds for ongoing business expenses, unforeseen liabilities, or for other similar costs which are not allowable under this agreement. Management fees or similar charges may not be used to improve or expand the project funded under this agreement, except to the extent authorized as a direct cost of carrying out the scope of work.

DD. **Federal Funding Accountability and Transparency Act (FFATA) Requirements.** If the original assistance agreement amount is $30,000 or more or an amendment increases the award amount to $30,000 or greater, the recipient must submit the following to the Department prior to Department signing the amendment (Subrecipient Informational Form):

1. Location of the entity receiving the financial assistance and primary location of performance under the award, including city, state, congressional district and county;

2. A unique entity identifier of the entity receiving the financial assistance;

3. A unique entity identifier of the parent entity of the recipient; and

,4. Names and total compensation for the five most highly compensated officers for the preceding completed fiscal year

EE. **Executive Compensation.** If FFATA reporting requirements apply and if the agreement period will exceed 12 months, the recipient must provide to the Department updated compensation information for their five most highly compensated officers using the Subrecipient Informational Form at the end of each 12 month period.

FF. **Competency**. The recipient ensures that all personnel associated with this financial assistance agreement, including staff, contractors and subrecipients, possess adequate education, training and experience to satisfactorily perform all technical tasks to be performed in order to fulfill the requirements of this agreement.

GG. Prohibition on certain telecommunications and video surveillance service or equipment. Recipient is prohibited from obligating or expending funds to procure or obtain; extend or renew a contract to procure or obtain; or enter into a contract to procure or obtain equipment, services, or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

(i) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

(ii) Telecommunications or video surveillance services provided by such entities or using such equipment.

(iii) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

Consistent with 2 CFR 200.471, cost incurred for telecommunications and video surveillance services or equipment such as phones, internet, video surveillance, and cloud servers are allowable except for the following circumstances:

a. Obligating or expending funds for covered telecommunications and video surveillance services or equipment or services as described in 2 CFR 200.216 to:
    a. Procure or obtain, extend or renew a contract to procure or obtain;
    b. Enter into a contract (or renew a contract) to procure, or
    c. Obtain the equipment, services, or systems

II. **Statutory Requirements**

The recipient must comply with all federal, state and local laws relating to employment, construction, research, environmental compliance, and other activities associated with grants from the Department. Failure to abide by these laws is sufficient grounds to cancel the agreement. For a copy of state and federal laws that typically apply to financial assistance agreements contact the Department. By applying for this financial assistance agreement, the recipient certifies that the recipient, its board of directors and principals are in compliance with the specific federal and state laws set out below. Further, the recipient shall report to the Department any instance in which the recipient or any member of its board of directors or principals is determined by any administrative agency or by any court in connection with any judicial proceeding to be in noncompliance with any of the specific federal or state laws set forth below. Such report shall be submitted within ten (10) working days following such determination. Failure to comply with the reporting requirement may be grounds for termination of this financial assistance agreement or suspension or debarment of the recipient.

A. Laws and regulations related to nondiscrimination:

1. Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin, including Limited English Proficiency (LEP);

2. Title VII of the Civil Rights Act of 1964 found at 42 U.S.C. §2000(e) et.seq. which prohibits discrimination on the basis of race, color, religion, national origin, or sex:

3. Title IX of the Education Amendments of 1972, as amended (U.S.C. §§ 1681-1683 and 1685-1686) which prohibits discrimination on the basis of sex;

4. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability;

5. Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 621-634), which prohibits discrimination on the basis of age;

6. Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse;

7. Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism;

8. Sections 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§ 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records;

9. Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing;

10. Chapter 213 of the Missouri Revised Statutes which prohibits discrimination on the basis of race, color, religion, national origin, sex, age, and disability.

11. The Americans with Disabilities Act (P. L. 101-336), 42 U. S. C. §12101 et seq., relating to nondiscrimination with respect to employment, public services, public accommodations and telecommunications.

12. Any other nondiscrimination provisions in the specific statute(s) and regulations under which application for federal assistance is being made.

13. The requirements of any other nondiscrimination statute(s) and regulations which may apply to the application.

B. State and Federal Environmental Laws:

1. The Federal Clean Air Act, 42 U.S.C. § 7606, as amended, prohibiting award of assistance by way of grant, loan, or contract to noncomplying facilities.

2. The Federal Water Pollution Control Act, 33 U.S.C. § 1368, as amended, prohibiting award of assistance by way of grant, loan, or contract to noncomplying facilities.

3. The National Environmental Policy Act of 1969, 42 U.S.C. § 4321 et seq., as amended, particularly as it relates to the assessment of the environmental impact of federally assisted projects.

4. The National Historic Preservation Act of 1966, 16 U.S.C. § 470 et seq., as amended, relating to the preservation of historic landmarks.

5. Earthquakes - Seismic Building and Construction Ordinances, §§ 319.200 - 319.207, RSMo (Cum. Supp. 1990), relating to the adoption of seismic design and construction ordinances by certain cities, towns, villages and counties.

6. The Missouri Clean Water Law, Sections 644.006 to 644.141, RSMo.

7. The Missouri Hazardous Waste Management Law, Section, 260.350 to 260.430, RSMo.

8. The Missouri Solid Waste Management Law, Sections 260.200 to 260.245, RSMo.

9. The Missouri Air Conservation Law, Sections 643.101 to 643.190, RSMo.

C. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. §§ 4601 and 4651 et seq., relating to acquisition of interest in real property or any displacement of persons, businesses, or farm operations.

D. The Hatch Act, 5 U.S.C. § 1501 et seq., as amended, relating to certain political activities of certain State and local employees.

E. The Archaeological and Historic Preservation Act of 1974 (Public Law 93-291) relating to potential loss or destruction of significant scientific, historical, or archaeological data in connection with federally assisted activities.

F. The Wild and Scenic Rivers Act of 1968 (16 U.S.C. § 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

G. The flood insurance purchase requirements of § 102(a) of the Flood Disaster Protection Act of 1973 (Public Law 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is $10,000 or more.

H. The Privacy Act of 1974, P.L. 93-579, as amended prohibiting the maintenance of information about any individual in a manner which would violate the provision of the Act.

I. Public Law 93-348 regarding the protection of human subjects involved in research, development and related activities supported by this award of assistance.

J. The Laboratory Animal Welfare Act of 1966 (P. L. 89-544), 7 U.S.C. § 2131 et seq., pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.

K. The following additional requirements apply to projects that involve construction:

1. The Davis-Bacon Act, as amended, 40 U.S.C. § 276a et seq., respecting wage rates for federally assisted construction contracts in excess of $2000.

2. The Copeland (Anti-Kickback) Act, 18 U.S.C. § 874, 40 U.S.C. § 276c.

3. The Contract Work Hours and Safety Standards Act, 40 U.S.C. § 327 et seq.

4. Convict labor shall not be used on construction projects unless by convicts who are on work release, parole, or probation.

5. The Lead-Based Paint Poisoning Prevention Act (42 U. S. C. § 4801 et seq.) which prohibits the use of lead paint in construction or rehabilitation of residence structures.

ATTACHMENT B

EXHIBIT 1

U. S. Department of Interior
Assurance of Compliance
(Title VI, Civil Rights Act of 1964)

U.S. DEPARTMENT OF THE INTERIOR
ASSURANCE OF COMPLIANCE
(TITLE VI. CIVIL RIGHTS ACT OF 1964)

_____ (hereinafter called "Applicant-Recipient")
(Name of Applicant-Recipient)

HEREBY AGREES THAT IT will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and all requirements imposed by or pursuant to the department of the Interior Regulation (43 CFR 17) issued pursuant to that title, to the end that, in accordance with Title VI of that Act and Regulation, no person in the United States shall, on the ground of race, color, or national origin be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Applicant-Recipient receives financial assistance from the Missouri Department of Natural Resources and hereby gives assurance that it will immediately take any measures to effectuate this agreement.

If any real property of structure thereon is provided or improved with the aid of Federal financial assistance extended to the Applicant-Recipient by the Missouri Department of Natural Resources, this assurance obligates the Applicant-Recipient, or in the case of any transfer of such property, any transferee for the period during which the real property or structure is used for a purpose involving the provision of similar services or benefits. If any personal property is so provided, this assurance obligates the Applicant-Recipient for the period during which the Federal financial assistance is extended to it by the Missouri Department of Natural Resources.

THE ASSURANCE is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, Grant Agreements, property discounts or other Federal financial assistance extended after the date hereof to the Applicant-Recipient by the Missouri Department of Natural Resources, including installment payments after such date on account of arrangements for Federal financial assistance which were approved before such date. The Applicant-Recipient recognized and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in this assurance, and that the United States shall reserve the right to seek judicial enforcement of this assurance. This assurance is binding on the Applicant-Recipient, its successors, transferees, and assignees, and the person or persons whose signature appears below are authorized to sign this assurance on behalf of the Applicant-Recipient.

_____ _____
DATED APPLICANT-RECIPIENT

_____
(President, Chairman of the Board or
Comparable Authorized Official)

_____
APPLICANT-RECIPIENT'S MAILING ADDRESS

ATTACHMENT B

EXHIBIT 2

Mid-Term Budget Report

INSTRUCTIONS FOR HPF GRANT AGREEMENT MID-TERM BUDGET REPORT

1. Use as many sheets as necessary to list all costs associated with the grant activity.

2. Enter the project name and assigned project grant number.

I. List expenditures by **COST CATEGORY**:

A. **Personnel/Fringe:** list each person on the payroll paid as a consultant, indicating name, date, check number. Attach time sheets if necessary.

B. **Travel/Other/Equipment:** provide a short description of expenditures, bills, check numbers, check dates, and amounts.

C. **Supplies**: same as for travel/other/equipment.

D. **Contractor:** list costs paid under grant agreement with contractor. Include copies of contractor invoices and verification of payment made to contractor.

E. **Indirect Cost:** indicate mathematical computation used to arrive at the dollar amount, then indicate dollar amount.

Special note: With regards to donated goods, services or equipment, such costs should be treated as follows for the purpose of listing expenditures:

Donated **time** should be listed in category **A**. Therefore, all time records should be included as proof of expenditures in that section.

Donated **equipment** should be listed only in category **B**. All proofs and forms necessary to verify this type of donation should be inserted into this section.

Donated **goods** should be listed in either category **B or C**. All proofs and forms necessary to verify these types of donations should be inserted into those sections.

II. The **HPF GRANT AGREEMENT** amount is the same amount as in the original Grant Agreement Budget federal or nonfederal share.

III. **MID-TERM SHARE AMOUNTS** list how much was actually spent to date for each share type: federal or nonfederal.

IV. **TOTAL EXPENDITURES** is the combined amount of both mid-term federal and nonfederal expenditures.

3. Sign and date the completed form.

Historic Preservation Fund Grants
GRANT AGREEMENT MID-TERM BUDGET REPORT

Project Name:_____ **Project Number:**

COST CATEGORIES	HPF GRANT AGREMENT FEDERAL SHARE TOTAL	MID-TERM REPORT FEDERAL SHARE TOTAL	HPF GRANT AGREEMENT NONFEDERAL SHARE TOTAL	MID-TERM REPORT NONFEDERAL SHARE TOTAL	TOTAL MID-TERM EXPENDITURES
Personnel/ Fringe:					
Travel/Other/ Equipment					
Supplies:					
Contractor:					
Indirect Cost:					

COMMENTS:

Authorized Signature Date

ATTACHMENT B

EXHIBIT 3
Final Project Report

Department of Natural Resources
Division of State Parks, State Historic Preservation Office
FINAL PROJECT REPORT

Project No.: 29-

Project Title:

Total Project Cost: $

Amendments with Approval Dates:

MAJOR WORK ITEMS	PLANNED	AMENDED	ACTUAL

Major Cost Items: (See Attached)

Publication Name:
Date: No. Copies.

Additional Information:

CERTIFICATION:
I certify professionally qualified program and grants management staff of my organization have confirmed, through site visits and/or review of financial and performance reports, that work under this subgrant (or Grant Agreement) has been accomplished according to applicable laws, regulations, Secretary of the Interior's Standards, other program standards, grant management requirements specified in NPS-49, National Register Programs Guideline, and the terms and conditions of the applicable HPF grant.

Deputy State Historic Preservation Officer Approval Date

National Park Service Date

Major Cost Categories

Project Number: 29-

Project Title :

Cost Category--Exhibit 1 Final Expenditures	Original Budget	Amended Amount	Actual Amount
A.	$	$	$
B.	$	$	$
C.	$	$	$
D.	$	$	$
E.	$	$	$
F.	$	$	$
G.	$	$	$
H.	$	$	$
I.	$	$	$
J.	$	$	$
K.	$	$	$
L.	$	$	$
M.	$	$	$
N.	$	$	$
O.	$	$	$
P.	$	$	$
Q.	$	$	$
R.	$	$	$
S.	$	$	$
TOTAL (S)	$	$	$

ATTACHMENT B

EXHIBIT 4
U. S. Department of the Interior
Certification Regarding
Debarment, Suspension, and Other Responsibility Matters
Drug-Free Workplace
Requirements and Lobbying

U.S. Department of the Interior

Certifications Regarding Debarment, Suspension and Other Responsibility Matters, Drug-Free Workplace Requirements and Lobbying

Persons signing this form should refer to the regulations referenced below for complete instructions:

Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions - **The prospective primary participant further agrees by submitting this proposal that it will include the clause titled, "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.** See below for language to be used or use this form certification and sign. (See Appendix A of Subpart D of 43 CFR Part 12.)

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions - (See Appendix B of Subpart D of 43 CFR Part 12.)

Certification Regarding Drug-Free Workplace Requirements - Alternate I. (Grantees Other Than Individuals) and Alternate II. (Grantees Who are Individuals) - (See Appendix C of Subpart D of 43 CFR Part 12)

Signature on this form provides for compliance with certification requirements under 43 CFR Parts 12 and 18. The certifications shall be treated as a material representation of fact upon which reliance will be placed when the Department of the Interior determines to award the covered transaction, grant, cooperative agreement or loan.

PART A: Certification Regarding Debarment, Suspension, and Other Responsibility Matters- Primary Covered Transactions

---

CHECK____IF THIS CERTIFICATION IS FOR A PRIMARY COVERED TRANSACTION AND IS APPLICABLE.

(1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

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

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

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

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

PART B: Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions

---

CHECK____IF THIS CERTIFICATION IS FOR A LOWER TIER COVERED TRANSACTION AND IS APPLICABLE.

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

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

This form was electronically produced by Elite Federal Forms, Inc.

DI-2010
June 1995
(This form replaces DI-1953, DI-1954, DI-1955, DI-1956 and DI-1963)

PART C: Certification Regarding Drug-Free Workplace Requirements

CHECK___IF THIS CERTIFICATION IS FOR AN APPLICANT WHO IS NOT AN INDIVIDUAL.

Alternate I. (Grantees Other Than Individuals)

A. The grantee certifies that it will or continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an ongoing drug-free awareness program to inform employees about--
(1) The dangers of drug abuse in the workplace;
(2) The grantee's policy of maintaining a drug-free workplace;
(3) Any available drug counseling, rehabilitation, and employee assistance programs; and
(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will --
(1) Abide by the terms of the statement; and
(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted --
(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a) (b), (c), (d), (e) and (f).

B. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

Check___if there are workplaces on files that are not identified here.

PART D: Certification Regarding Drug-Free Workplace Requirements

CHECK___IF THIS CERTIFICATION IS FOR AN APPLICANT WHO IS AN INDIVIDUAL.

Alternate II. (Grantees Who Are Individuals)

(a) The grantee certifies that, as a condition of the grant, he or she will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant;

(b) If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, he or she will report the conviction, in writing, within 10 calendar days of the conviction, to the grant officer or other designee, unless the Federal agency designates a central point for the receipt of such notices. When notice is made to such a central point, it shall include the identification number(s) of each affected grant.

PART E: Certification Regarding Lobbying
Certification for Contracts, Grants, Loans, and Cooperative Agreements

CHECK____IF CERTIFICATION IS FOR THE AWARD OF ANY OF THE FOLLOWING AND THE AMOUNT EXCEEDS $100,000: A FEDERAL GRANT OR COOPERATIVE AGREEMENT; SUBCONTRACT, OR SUBGRANT UNDER THE GRANT OR COOPERATIVE AGREEMENT.

CHECK___IF CERTIFICATION FOR THE AWARD OF A FEDERAL LOAN EXCEEDING THE AMOUNT OF $150,000, OR A SUBGRANT OR SUBCONTRACT EXCEEDING $100,000, UNDER THE LOAN.

The undersigned certifies, to the best of his or her knowledge and belief, that:

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

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

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify accordingly.

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

As the authorized certifying official, I hereby certify that the above specified certifications are true.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL

TYPED NAME AND TITLE

DATE

NOTICE OF AWARD

1. DATE ISSUED *MM/DD/YYYY*
09/22/2022

1a. SUPERSEDES AWARD NOTICE dated
except that any additions or restrictions previously imposed remain in effect unless specifically rescinded

2. CFDA NO.
15.904 - Historic Preservation Fund Grants-In-Aid

3. ASSISTANCE TYPE Formula Grant

4. GRANT NO. P22AF01279-00
Originating MCA #

5. TYPE OF AWARD
Other

4a. FAIN P22AF01279

5a. ACTION TYPE New

6. PROJECT PERIOD *MM/DD/YYYY*
From 10/01/2021 **Through** *MM/DD/YYYY* 09/30/2024

7. BUDGET PERIOD *MM/DD/YYYY*
From 10/01/2021 **Through** *MM/DD/YYYY* 09/30/2024

AUTHORIZATION (Legislation/Regulations)

54 USC §301 et seq National Historic Preservation Act

8. TITLE OF PROJECT (OR PROGRAM)
2022 HPF SHPO - Missouri

9a. GRANTEE NAME AND ADDRESS
NATURAL RESOURCES, MISSOURI DEPARTMENT OF
PO BOX 176
Jefferson City, MO, 65102-0176

9b. GRANTEE PROJECT DIRECTOR
Erin Garrison
1101 Riverside Dr
Jefferson City, MO, 65101-4272
Phone: 573-751-1153

10a. GRANTEE AUTHORIZING OFFICIAL
TONI PRAWL
1101 RIVERSIDE DR
JEFFERSON CITY, MO, 65101-4272
Phone: 5737517858

10b. FEDERAL PROJECT OFFICER
Ms. Megan Brown
1849 C Street NW
7360
Washington, DC, 20240-1000
Phone: 202 354 2062

ALL AMOUNTS ARE SHOWN IN USD

11. APPROVED BUDGET (Excludes Direct Assistance)

I Financial Assistance from the Federal Awarding Agency Only		
II Total project costs including grant funds and all other financial participation		II
a. Salaries and Wages	$	782,038.00
b. Fringe Benefits	$	462,340.00
c. Total Personnel Costs	$	1,244,378.00
d. Equipment	$	0.00
e. Supplies	$	12,000.00
f. Travel	$	25,000.00
g. Construction	$	0.00
h. Other	$	100,000.00
i. Contractual	$	386,436.00
j. TOTAL DIRECT COSTS	$	1,767,814.00
k. INDIRECT COSTS	$	181,389.00
l. **TOTAL APPROVED BUDGET**	$	1,949,203.00
m. Federal Share	$	1,169,522.00
n. Non-Federal Share	$	779,681.00

12. AWARD COMPUTATION

a. Amount of Federal Financial Assistance (from item 11m)	$	1,169,522.00
b. Less Unobligated Balance From Prior Budget Periods	$	0.00
c. Less Cumulative Prior Award(s) This Budget Period	$	0.00
d. **AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION**	$	1,169,522.00
13. Total Federal Funds Awarded to Date for Project Period	$	1,169,522.00

14. RECOMMENDED FUTURE SUPPORT
(Subject to the availability of funds and satisfactory progress of the project):

YEAR	TOTAL DIRECT COSTS	YEAR	TOTAL DIRECT COSTS
a. 2	$	d. 5	$
b. 3	$	e. 6	$
c. 4	$	f. 7	$

15. PROGRAM INCOME SHALL BE USED IN ACCORD WITH ONE OF THE FOLLOWING ALTERNATIVES:
a. DEDUCTION
b. ADDITIONAL COSTS
c. MATCHING
d. OTHER RESEARCH (Add / Deduct Option)
e. OTHER *(See REMARKS)*

b

16. THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY, THE FEDERAL AWARDING AGENCY ON THE ABOVE TITLED PROJECT AND IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING:
a. The grant program legislation
b. The grant program regulations.
c. This award notice including terms and conditions, if any, noted below under REMARKS.
d. Federal administrative requirements, cost principles and audit requirements applicable to this grant.

In the event there are conflicting or otherwise inconsistent policies applicable to the grant, the above order of precedence shall prevail. Acceptance of the grant terms and conditions is acknowledged by the grantee when funds are drawn or otherwise obtained from the grant payment system.

REMARKS (Other Terms and Conditions Attached - ● Yes ○ No)

GRANTS MANAGEMENT OFFICIAL:
Megan Brown, Chief - State, Tribal, Local, Plans & Grants
1849 C Street NW
7360
Washington, DC, 20240-1000
Phone: 202 354 2062

17. VENDOR CODE 0070421590 **18a. UEI** K6RXPK4W58H4 **18b. DUNS** 878144757 **19. CONG. DIST.** 04

LINE#	FINANCIAL ACCT	AMT OF FIN ASST	START DATE	END DATE	TAS ACCT	PO LINE DESCRIPTION
1	0051025213-00010	$1,169,522.00	07/13/2022	12/31/2023	5140	FY223 HPF SHPO Missouri

Federal Financial Report Cycle			
Reporting Period Start Date	Reporting Period End Date	Reporting Type	Reporting Period Due Date
10/01/2021	09/30/2022	Annual	12/29/2022
10/01/2022	09/30/2023	Annual	12/29/2023
10/01/2023	09/30/2024	Final	01/28/2025

Performance Progress Report Cycle			
Reporting Period Start Date	Reporting Period End Date	Reporting Type	Reporting Period Due Date
10/01/2021	09/30/2022	Annual	12/29/2022
10/01/2022	09/30/2023	Annual	12/29/2023
10/01/2023	09/30/2024	Final	01/28/2025

REMARKS

1. Grant Agreement
   between
   the United States Department of the Interior
   National Park Service
   and
   the Above-Named Recipient

Articles

1. Department of the Interior Standard Terms and Conditions

   Recipients must also adhere the Department of Interior Standard Terms and Conditions located at https://www.doi.gov/grants/doi-standard-terms-and-conditions.

2. Legal Authority

   NPS enters into this Agreement pursuant to:

   1. National Historic Preservation Act (NHPA) 54 USC 300101 *et seq.*
   2. Historic Preservation Fund Grants Manual, 2007 and subsequent memos and guidance
   3. 54 USC 302902(a) Grants to States
   4. 54 USC 302701(a) Grants to Indian Tribes and Native Hawaiian Organizations
   5. Consolidated Appropriations Act, enacted as P.L. 117-103,

3. Performance Goals and Project Objectives

   The objective of this Agreement is to provide Historic Preservation Funding (HPF) to State Historic Preservation Officers (SHPOs) for the protection and conservation of State, territorial, and local cultural and historic assets and to assist them in executing their historic preservation programs and activities pursuant to 54 U.S.C. 300101 *et seq.* (commonly known as the National Historic Preservation Act).

4. Public Purpose

   Annual Historic Preservation Fund grants to the 59 State Historic Preservation Offices (SHPO) support

the Federal Preservation Partnership program by enabling the SHPOs to implement and fulfill the program areas outlined in the National Historic Preservation Act in accordance with their NPS approved State Historic Preservation Plans.

5. COVID-19 Provisions

Due to the COVID-19 pandemic, access to National Park Service (NPS) property, personnel, or resources may be limited at the start of the agreement. Any performance that requires access to National Park Service property, personnel, or resources shall not commence until the recipient receives confirmation from the NPS Financial Assistance Awarding Officer of the availability of those resources. The recipient shall contact the NPS Financial Assistance Awarding Officer for approval prior to incurring any costs for performance that requires access to National Park Service property or resources. Such approvals can only be provided by the NPS Financial Assistance Awarding Officer. In the event of a prolonged unavailability of resources, the period of performance may be modified to a later date, or the agreement may be cancelled, by either the National Park Service or the recipient, in its entirety. In addition, the recipient shall contact the NPS Financial Assistance Awarding Officer to coordinate any other changes to the agreement that may be needed to ensure successful performance during the COVID-19 pandemic.

6. Statement of Work

The Statement of Work to be performed in accordance with the Secretary of the Interior's *Standards and Guidelines for Archeology and Historic Preservation* includes:

1. Work agreed upon by the State Historic Preservation Officer (SHPO) and the NPS as stated in the State's annual application for Historic Preservation Fund grant assistance, and
2. Determined eligible as stated in the National Historic Preservation Act (NHPA), 54 USC 300101 *et seq.*, and in the *Historic Preservation Fund Grant Manual.*

7. Responsibilities of the Parties

1. The Recipient agrees to:
    1. Carry out the Statement of Work in accordance with the terms and conditions stated herein.

    2. Adhere to Federal, state, and local laws, regulations, and codes, as applicable.

    3. Perform work in accordance with the *Secretary of the Interior's Standards and Guidelines for Archeology and Historic Preservation* in the assigned mandatory program areas as defined by the National Historic Preservation Act.

    4. Notify NPS of all selected subawards/subgrants, contracts, and in-house projects via HPF Online.

    5. Ensure subrecipients understand they are subject to the requirements of 2 CFR 200.1 “Subaward”, 200.101 Applicability, and 200.331 Requirements for pass-through entities.

    6. Record their procurement of qualified consultants and contracts in accordance with 2 CFR 200.317.

2. No substantial involvement on the part of the NPS is anticipated for the successful completion of the statement of work detailed in this award. It is anticipated that involvement will be limited to actions related to monitoring project performance and technical assistance at the request of the recipient.

8. Cost-Share Requirement

Non-Federal cost-share is required for costs incurred under this Agreement, as identified in the attached project budget. If pre-award costs are authorized, reimbursement of these costs is limited to Federal cost share percentage identified in this agreement.

9. Pre-Award Incurrence of Costs

The Recipient shall be entitled to reimbursement for costs incurred on or after the start date of this agreement, which, if they had been incurred after this Agreement was entered into, would have been allowable, allocable, and reasonable under the terms and conditions of this Agreement. The start date is identified in block 6 of the Notice of Award.

The Recipient is not authorized to incur costs prior to the start date of this agreement.

10. Administrative & Indirect Costs

The Federally negotiated indirect rate to be applied against total direct costs, less equipment, capital improvements and passthrough funds in this agreement shall be 12.99%* TDC. This rate is valid through June 30, 2022. It is the responsibility of the Recipient to work with their cognizant agency in a timely manner to avoid the expiration of the Federally negotiated rate.

Indirect costs must be charged consistently in accordance with the approved project budget, which is incorporated into this award as an attachment. If the recipient has a Federally approved indirect rate, it is the responsibility of the Recipient to work with their cognizant agency in a timely manner to avoid the expiration of the Federally negotiated rate.

The federally-negotiated indirect rate plus administrative costs to be applied against this agreement, by statute 54 U.S.C. § 302902, shall not exceed 25% of the total budget.

Administrative costs are defined as: Allowable, reasonable, and allocable costs related to the overall management of activities directly related to finance (accounting, auditing, budgeting, contracting), general administrative salaries and wages (grant administration, personnel, property management, equal opportunity) and other “overhead” functions (general legal services, general liability insurance, depreciation on buildings and equipment, etc.) not directly attributable to specific program areas identified in the grant agreement. All administrative costs reported must be absolutely necessary for project and/or program implementation, such as the cost items identified in the final grant agreement or items otherwise approved in writing by the NPS Awarding Officer (AO).

*__Note:__ the negotiated indirect cost rate agreement between the Missouri Department of Natural Resources and the US Environmental Protection Agency provides for two rates -- 12.99% for "state parks programs" and 22.30% for "environmental program" ***without*** further defining those categories. Consequently, NPS interprets awards to the State Historic Preservation Office as a "state park program." If this is not the case, the recipient should promptly inform NPS and request a modification to this grant agreement.

11. Key Officials

1. Communications. Recipient shall address any communication regarding this Agreement to the ATR/Program Officer with a copy to the Awarding/Grants Management Officer. Communications that relate solely to technical matters may be sent only to the ATR/Program Officer.
2. Changes in Key Officials. Neither the NPS nor Recipient may make any permanent change in a key official without written notice to the other party reasonably in advance of the proposed change. The notice will include a justification with sufficient detail to permit evaluation of the impact of such a change on the scope of work specified within this Agreement. Any permanent change in key officials will be made only by modification to this Agreement.

12. Award and Payment

1. The NPS will provide funding to the Recipient in an amount not to exceed the figure in block 11m of the Notice of Award for the Statement of Work described in Article VI and in accordance with the NPS approved budget. The approved budget detail is incorporated herein. Any award beyond the current fiscal year is subject to availability of funds. Acceptance of a Federal financial assistance award from the Department of the Interior carries with it the responsibility to be aware of, and comply with the terms and conditions within this award document. Acceptance is defined as the start of work, drawing down funds, or accepting the award via electronic means.
2. Recipient shall request payment in accordance with the following:
    1. **Method of Payment**. Payment will be made by advance and/or reimbursement through the Department of Treasury's Automated Standard Application for Payments (ASAP) system.
    2. **Requesting Advances**. Requests for advances must be submitted via the ASAP system. Requests may be submitted as frequently as required to meet the needs of the Financial Assistance (FA) Recipient to disburse funds for the Federal share of project costs. If feasible, each request should be timed so that payment is received on the same day that the funds are dispersed for direct project costs and/or the proportionate share of any allowable indirect costs. If same–day transfers are not feasible, advance payments must be as close to actual disbursements as administratively feasible.
    3. **Requesting Reimbursement**. Requests for reimbursements must be submitted via the ASAP system. Requests for reimbursement should coincide with normal billing patterns. Each request must be limited to the amount of disbursements made for the Federal share of direct project costs and the proportionate share of allowable indirect costs incurred during that billing period.
    4. **Adjusting Payment Requests for Available Cash**. Funds that are available from repayments to, and interest earned on, a revolving fund, program income, rebates, refunds, contract settlements, audit recoveries, credits, discounts, and interest earned on any of those funds must be disbursed before requesting additional cash payments.
    5. **Bank Accounts**. All payments are made through electronic funds transfer to the bank account identified in the ASAP system by the FA Recipient.
    6. **Supporting Documents and Agency Approval of Payments**. Additional supporting documentation and prior NPS approval of payments may be required when/if a FA Recipient is determined to be "high risk" or has performance issues. If prior Agency payment approval is in effect for an award, the ASAP system will notify the FA Recipient when they submit a request for payment. The Recipient must then notify the NPS AO that a payment request has been submitted. The NPS AO may request additional information from the Recipient to support the payment request prior to approving the release of funds, as deemed necessary. The FA Recipient is required to comply with these requests. Supporting documents may include invoices, copies of contracts, vendor quotes, and other expenditure explanations that justify the reimbursement requests.
3. Any award beyond the current fiscal year is subject to availability of funds; funds may be provided

in subsequent fiscal years if project work is satisfactory and funding is available.

4. **Allowable and Eligible Costs**. Expenses charged against awards under the Agreement may not be incurred prior to the beginning of the Start Date of the Agreement, and may be incurred only as necessary to carry out the approved objectives, scope of work and budget with prior approval from the NPS AO. The Recipient shall not incur costs or obligate funds for any purpose pertaining to the operation of the project, program, or activities beyond the expiration date stipulated in the award.
5. **Recipient Cost Share or Match**. Any non–Federal share, whether in cash or in–kind, is expected to be paid out at the same general rate as the Federal share. Exceptions to this requirement may be granted by the AO based on sufficient documentation demonstrating previously determined plans for or later commitment of cash or in–kind contributions. In any case, the Recipient must meet their cost share commitment over the life of the award.

13. Prior Approval

    The Recipient shall obtain prior approval for budget and program revisions, in accordance with 2 CFR 200.308.

14. Insurance and Liability

    Flow–down: For the purposes of this clause, "recipient" includes such sub–recipients, contractors, or subcontractors as, in the judgment of the recipient and subject to the Government's determination of sufficiency, have sufficient resources and/or maintain adequate and appropriate insurance to achieve the purposes of this clause.

15. Reports and/or Outputs/Outcomes

    1. Refer to the last page of the Notice of Award document for Federal Financial reporting frequency and due dates. Performance reports are also required at the same reporting frequency and due dates as the FFR. Reports must be submitted through the GrantSolutions "Manage Reports" functionality.
    2. A final Performance Report and a final Federal Financial Report will be due 120 days after the end-date of the Term of Agreement. If the recipient does not submit the final report before the required due date, NPS is required to submit a finding of non-compliance to the Federal Awardee Performance and Integrity Information System (FAPIIS). Each report shall be submitted as described above.
    3. The Secretary of the Interior and the Comptroller General of the United States, or their duly authorized representatives, will have access, for the purpose of financial or programmatic review and examination, to any books, documents, papers, and records that are pertinent to the Agreement at all reasonable times during the period of retention in accordance with 2 CFR 200.333.
    4. Specific projects, tasks, or activities for which funds are reimbursed and/or advanced will be tracked and reported by the grantee's submission of:
        1. An annual report package reflecting the first year of the period of performance (page 2, Report Cycle table, row 1) including:
            1. Updated HPF Online
            2. Annual SF-425, *Federal Financial Report*
            3. SF-428A, *Tangible Personal Property Report* (only if NPS-approved equipment purchased)
        2. An annual report package reflecting the second year of the period of performance (page 2, Report Cycle table, row 2) including:
            1. Updated HPF Online
            2. Signed Carry Over Statement
            3. Annual SF-425, *Federal Financial Report*

4. SF-428A, *Tangible Personal Property Report* (only if NPS-approved equipment purchased)

3. Final report package reflecting the full period of performance of this award (page 2, Report Cycle table, row 3) including:
    1. Completed HPF Online
    2. SF-425, *Federal Financial Report*
    3. SF-428B, *Tangible Personal Property Report* (only if NPS-approved equipment purchased)
    4. Copies of all indirect cost rate agreements, if any, applied against this grant
    5. Grant products, submitted digitally

16. Property Utilization

All tools, equipment, and facilities furnished by NPS will be on a loan basis. Tools, equipment and facilities will be returned in the same condition received except for normal wear and tear in project use. Property management standards set forth in 2 CFR 200.310 through 200.316 applies to this Agreement.

17. Modification, Remedies for Noncompliance, Termination

1. This Agreement may be modified at any time, prior to the expiration date, only by a written instrument executed by both parties. Modifications will be in writing and approved by the NPS Awarding Officer and the authorized representative of Recipient.
2. Additional conditions may be imposed by NPS if it is determined that the Recipient is non–compliant to the terms and conditions of this agreement. Remedies for Noncompliance can be found in 2 CFR 200.339.
3. This Agreement may be terminated consistent with applicable termination provisions for Agreements found in 2 CFR 200.340 through 200.343.

18. Reporting of Matters Related to Recipient Integrity and Performance

1. General Reporting Requirement
   If the total value of your currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds $10,000,000 for any period of time during the period of performance of this Federal award, then you, as the recipient, during that period of time must maintain the currency of information reported to the System for Award Management (SAM) that is made available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)) about civil, criminal, or administrative proceedings described in paragraph 2 of this award term and condition. This is a statutory requirement under section 872 of Public Law 110-417, as amended (41 U.S.C. 2313). As required by section 3010 of Public Law 111-212, all information posted in the designated integrity and performance system on or after April 15, 2011, except past performance reviews required for Federal procurement contracts, will be publicly available.
2. Proceedings You Must Report
   Submit the information required about each proceeding that:
    1. Is in connection with the award or performance of a grant, cooperative agreement, or procurement contract from the Federal Government;
    2. Reached its final disposition during the most recent five year period; and
    3. Is one of the following:
        1. A criminal proceeding that resulted in a conviction, as defined in paragraph 5 of this award term and condition;
        2. A civil proceeding that resulted in a finding of fault and liability and payment of a

monetary fine, penalty, reimbursement, restitution, or damages of $5,000 or more;

3. An administrative proceeding, as defined in paragraph 5 of this award term and condition, that resulted in a finding of fault and liability and payment of either a monetary fine or penalty of $5,000 or more; or reimbursement, restitution, or damages in excess of $100,000; or
4. Any other criminal, civil, or administrative proceeding if:
    1. It could have led to an outcome described in paragraph 2.3.(1), (2), or (3) of this award term and condition;
    2. It had a different disposition arrived at by consent or compromise with an acknowledgment of fault on your part; and
    3. The requirement in this award term and condition to disclose information about the proceeding does not conflict with applicable laws and regulations.

3. Reporting Procedures
   Enter in the SAM Entity Management area the information that SAM requires about each proceeding described in paragraph 2 of this award term and condition. You do not need to submit the information a second time under assistance awards that you received if you already provided the information through SAM because you were required to do so under Federal procurement contracts that you were awarded.
4. Reporting Frequency
   During any period of time when you are subject to the requirement in paragraph 1 of this award term and condition, you must report proceedings information through SAM for the most recent five year period, either to report new information about any proceeding(s) that you have not reported previously or affirm that there is no new information to report. Recipients that have Federal contract, grant, and cooperative agreement awards with a cumulative total value greater than $10,000,000 must disclose semiannually any information about the criminal, civil, and administrative proceedings.
5. Definitions
   For purposes of this award term and condition:
    1. Administrative proceeding means a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (*e.g.*, Securities and Exchange Commission Administrative proceedings, Civilian Board of Contract Appeals proceedings, and Armed Services Board of Contract Appeals proceedings). This includes proceedings at the Federal and State level but only in connection with performance of a Federal contract or grant. It does not include audits, site visits, corrective plans, or inspection of deliverables.
    2. Conviction means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere.
    3. Total value of currently active grants, cooperative agreements, and procurement contracts includes—
        1. Only the Federal share of the funding under any Federal award with a recipient cost share or match; and
        2. The value of all expected funding increments under a Federal award and options, even if not yet exercised.

19. Funding Used for the Operation of Unmanned Aircraft Systems (UAS)

If Federal funding is provided to a State, local, tribal, or territorial government for the use of UAS for their operations, the recipient must have in place policies and procedures to safeguard individuals' privacy, civil rights, and civil liberties prior to expending such funds.

Per the policy memorandum issued by National Park Service Director, dated June 19, 2014, the launching, landing, and operating of unmanned aircraft, that is not under the control of the Federal government, on lands and waters administered by the National Park Service is prohibited unless approval is received from the Associate Director for such purposes as: Scientific study, search and rescue operations, fire operations, and law enforcement.

Administrative use includes the use of unmanned aircraft by

- NPS personnel as operators or crew;
- cooperators such as government agencies and universities that conduct unmanned aircraft operations for the NPS pursuant to a written agreement; and
- other entities, including commercial entities, conducting unmanned aircraft operations for the NPS, provided such entities are in compliance with all applicable FAA and Department of the Interior requirements.

20. Patents and Inventions (37 CFR 401)

Recipients of agreements which support experimental, developmental, or research work shall be subject to applicable regulations governing patents and inventions, including the government-wide regulations issued by the Department of Commerce at 37 CFR 401, Rights to Inventions Made by Non-profit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements. These regulations do not apply to any agreement made primarily for educational purposes.

In accordance with 37 CFR 401.3(a), the provision at 37 CFR 401.14(a), with authorized modifications for the National Park Service, is hereby included in this agreement:

1. **Definitions**
    1. *Invention* means any invention or discovery which is or may be patentable or otherwise protectable under Title 35 of the United States Code, or any novel variety of plant which is or may be protected under the Plant Variety Protection Act (7 U.S.C. 2321 et seq.).
    2. *Subject invention* means any invention of the recipient conceived or first actually reduced to practice in the performance of work under this agreement, provided that in the case of a variety of plant, the date of determination (as defined in section 41(d) of the Plant Variety Protection Act, 7 U.S.C. 2401(d)) must also occur during the period of agreement performance.
    3. *Practical Application* means to manufacture in the case of a composition or product, to practice in the case of a process or method, or to operate in the case of a machine or system; and, in each case, under such conditions as to establish that the invention is being utilized and that its benefits are, to the extent permitted by law or government regulations, available to the public on reasonable terms.
    4. *Made* when used in relation to any invention means the conception or first actual reduction to practice of such invention.
    5. *Small Business Firm* means a small business concern as defined at section 2 of Public Law. 85-536 (15 U.S.C. 632) and implementing regulations of the Administrator of the Small Business Administration. For the purpose of this provision, the size standards for small business concerns involved in government procurement and subcontracting at 13 CFR 121.3-8 and 13 CFR 121.3-12, respectively, will be used.
    6. *Nonprofit Organization* means a university or other institution of higher education or an organization of the type described in section 501(c)(3) of the Internal Revenue Code of 1954

(26 U.S.C. 501(c) and exempt from taxation under section 501(a) of the Internal Revenue Code (25 U.S.C. 501(a)) or any nonprofit scientific or educational organization qualified under a state nonprofit organization statute.

2. **Allocation of Principal Rights**
The Recipient may retain the entire right, title, and interest throughout the world to each subject invention subject to this provision and 35 U.S.C. 203. With respect to any subject invention in which the Recipient retains title, the Federal government shall have a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the United States the subject invention throughout the world.

3. **Invention Disclosure, Election of Title and Filing of Patent Application by Recipient**
    1. The Recipient will disclose each subject invention to the National Park Service within two months after the inventor discloses it in writing to Recipient personnel responsible for patent matters. The disclosure to the National Park Service shall be in the form of a written report and shall identify the agreement under which the invention was made and the inventor(s). It shall be sufficiently complete in technical detail to convey a clear understanding to the extent known at the time of the disclosure, of the nature, purpose, operation, and the physical, chemical, biological or electrical characteristics of the invention. The disclosure shall also identify any publication, on sale or public use of the invention and whether a manuscript describing the invention has been submitted for publication and, if so, whether it has been accepted for publication at the time of disclosure. In addition, after disclosure to the National Park Service, the Recipient will promptly notify the National Park Service of the acceptance of any manuscript describing the invention for publication or of any on sale or public use planned by the Recipient.
    2. The Recipient will elect in writing whether or not to retain title to any such invention by notifying the National Park Service within two years of disclosure to the National Park Service. However, in any case where publication, on sale or public use has initiated the one year statutory period wherein valid patent protection can still be obtained in the United States, the period for election of title may be shortened by the National Park Service to a date that is no more than 60 days prior to the end of the statutory period.
    3. The Recipient will file its initial patent application on a subject invention to which it elects to retain title within one year after election of title or, if earlier, prior to the end of any statutory period wherein valid patent protection can be obtained in the United States after a publication, on sale, or public use. The Recipient will file patent applications in additional countries or international patent offices within either ten months of the corresponding initial patent application or six months from the date permission is granted by the Commissioner of Patents and Trademarks to file foreign patent applications where such filing has been prohibited by a Secrecy Order.
    4. Requests for extension of the time for disclosure, election, and filing under subparagraphs (1), (2), and (3) may, at the discretion of the National Park Service, be granted.

4. **Conditions When the Government May Obtain Title**
The Recipient will convey to the National Park Service, upon written request, title to any subject inventions
    1. If the Recipient fails to disclose or elect title to the subject invention within the times specified in paragraph 3, above, or elects not to retain title; provided that the National Park Service may only request title within 60 days after learning of the failure of the Recipient to disclose or elect within the specified times.
    2. In those countries in which the Recipient fails to file patent applications within the times

specified in paragraph 3 above; provided, however, that if the Recipient has filed a patent application in a country after the times specified in paragraph 3 above, but prior to its receipt of the written request of the National Park Service, the Recipient shall continue to retain title in that country.

3. In any country in which the Recipient decides not to continue the prosecution of any application for, to pay the maintenance fees on, or defend in reexamination or opposition proceeding on, a patent on a subject invention.

5. **Minimum Rights to Recipient and Protection of the Recipient Right to File**
    1. The Recipient will retain a nonexclusive royalty-free license throughout the world in each subject invention to which the Government obtains title, except if the Recipient fails to disclose the invention within the times specified in paragraph 3, above. The Recipient's license extends to its domestic subsidiary and affiliates, if any, within the corporate structure of which the Recipient is a party and includes the right to grant sublicenses of the same scope to the extent the Recipient was legally obligated to do so at the time the agreement was awarded. The license is transferable only with the approval of the National Park Service except when transferred to the successor of that party of the Recipient's business to which the invention pertains.
    2. The Recipient's domestic license may be revoked or modified by the National Park Service to the extent necessary to achieve expeditious practical application of the subject invention pursuant to an application for an exclusive license submitted in accordance with applicable provisions at 37 CFR part 404 and the National Park Service licensing regulations (if any). This license will not be revoked in that field of use or the geographical areas in which the Recipient has achieved practical application and continues to make the benefits of the invention reasonably accessible to the public. The license in any foreign country may be revoked or modified at the discretion of the National Park Service to the extent the Recipient, its licensees, or the domestic subsidiaries or affiliates have failed to achieve practical application in that foreign country.
    3. Before revocation or modification of the license, the National Park Service will furnish the Recipient a written notice of its intention to revoke or modify the license, and the Recipient will be allowed thirty days (or such other time as may be authorized by the National Park Service for good cause shown by the Recipient) after the notice to show cause why the license should not be revoked or modified. The Recipient has the right to appeal, in accordance with applicable regulations in 37 CFR part 404 and National Park Service regulations (if any) concerning the licensing of Government-owned inventions, any decision concerning the revocation or modification of the license.
6. **Recipient Action to Protect the Government's Interest**
    1. The Recipient agrees to execute or to have executed and promptly deliver to the National Park Service all instruments necessary to
        1. establish or confirm the rights the Government has throughout the world in those subject inventions to which the Recipient elects to retain title, and
        2. convey title to the National Park Service when requested under paragraph 4 above and to enable the government to obtain patent protection throughout the world in that subject invention.
    2. The Recipient agrees to require, by written agreement, its employees, other than clerical and non-technical employees, to disclose promptly in writing to personnel identified as responsible for the administration of patent matters and in a format suggested by the

Recipient each subject invention made under agreement in order that the Recipient can comply with the disclosure provisions of paragraph (3), above, and to execute all papers necessary to file patent applications on subject inventions and to establish the government's rights in the subject inventions. This disclosure format should require, as a minimum, the information required by (3)(1), above. The Recipient shall instruct such employees through employee agreements or other suitable educational programs on the importance of reporting inventions in sufficient time to permit the filing of patent applications prior to U.S. or foreign statutory bars.

3. The Recipient will notify the National Park Service of any decisions not to continue the prosecution of a patent application, pay maintenance fees, or defend in a reexamination or opposition proceeding on a patent, in any country, not less than thirty days before the expiration of the response period required by the relevant patent office.
4. The Recipient agrees to include, within the specification of any United States patent applications and any patent issuing thereon covering a subject invention, the following statement, "This invention was made with government support under (identify the agreement) awarded by (identify the Federal agency). The government has certain rights in the invention."

7. **Subcontracts**
The Recipient will include this provision, suitably modified to identify the parties, in all sub-agreements or subcontracts, regardless of tier, for experimental, developmental or research work. The sub-recipient or subcontractor will retain all rights provided for the Recipient in this provision, and the Recipient will not, as part of the consideration for awarding the sub-agreement or subcontract, obtain rights in the sub-recipient's or subcontractor's subject inventions.

8. **Reporting on Utilization of Subject Inventions**
The Recipient agrees to submit on request periodic reports no more frequently than annually on the utilization of a subject invention or on efforts at obtaining such utilization that are being made by the Recipient or its licensees or assignees. Such reports shall include information regarding the status of development, date of first commercial sale or use, gross royalties received by the Recipient, and such other data and information as the National Park Service may reasonably specify. The Recipient also agrees to provide additional reports as may be requested by the National Park Service in connection with any march-in proceeding undertaken by the National Park Service in accordance with paragraph (10) of this provision. As required by 35 U.S.C. 202(c)(5), the National Park Service agrees it will not disclose such information to persons outside the government without permission of the Recipient.

9. **Preference for United States Industry**
Notwithstanding any other part of this provision, the Recipient agrees that neither it nor any assignee will grant to any person the exclusive right to use or sell any subject inventions in the United States unless such person agrees that any products embodying the subject invention or produced through the use of the subject invention will be manufactured substantially in the United States. However, in individual cases, the requirement for such an agreement may be waived by the National Park Service upon a showing by the Recipient or its assignee that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to manufacture substantially in the United States or that under the circumstances domestic manufacture is not commercially feasible.

10. **March-in Rights**

The Recipient agrees that with respect to any subject invention in which it has acquired title, the National Park Service has the right in accordance with the procedures in 37 CFR 401.6 and any supplemental regulations of the National Park Service to require the Recipient, an assignee or exclusive licensee of a subject invention to grant a nonexclusive, partially exclusive, or exclusive license in any field of use to a responsible applicant or applicants, upon terms that are reasonable under the circumstances, and if the Recipient, assignee, or exclusive licensee refuses such a request the National Park Service has the right to grant such a license itself if the National Park Service determines that:

1. Such action is necessary because the Recipient or assignee has not taken, or is not expected to take within a reasonable time, effective steps to achieve practical application of the subject invention in such field of use.
2. Such action is necessary to alleviate health or safety needs, which are not reasonably satisfied by the Recipient, assignee or their licensees;
3. Such action is necessary to meet requirements for public use specified by Federal regulations and such requirements are not reasonably satisfied by the Recipient, assignee or licensees; or
4. Such action is necessary because the agreement required by paragraph (9) of this provision has not been obtained or waived or because a licensee of the exclusive right to use or sell any subject invention in the United States is in breach of such agreement.

11. **Special Provisions for Agreements with Nonprofit Organizations**

If the Recipient is a nonprofit organization, it agrees that:

1. Rights to a subject invention in the United States may not be assigned without the approval of the National Park Service, except where such assignment is made to an organization which has as one of its primary functions the management of inventions, provided that such assignee will be subject to the same provisions as the Recipient;
2. The Recipient will share royalties collected on a subject invention with the inventor, including Federal employee co-inventors (when the National Park Service deems it appropriate) when the subject invention is assigned in accordance with 35 U.S.C. 202(e) and 37 CFR 401.10;
3. The balance of any royalties or income earned by the Recipient with respect to subject inventions, after payment of expenses (including payments to inventors) incidental to the administration of subject inventions, will be utilized for the support of scientific research or education; and
4. It will make efforts that are reasonable under the circumstances to attract licensees of subject invention that are small business firms and that it will give a preference to a small business firm when licensing a subject invention if the Recipient determines that the small business firm has a plan or proposal for marketing the invention which, if executed, is equally as likely to bring the invention to practical application as any plans or proposals from applicants that are not small business firms; provided, that the Recipient is also satisfied that the small business firm has the capability and resources to carry out its plan or proposal. The decision whether to give a preference in any specific case will be at the discretion of the Recipient. However, the Recipient agrees that the National Park Service may review the Recipient's licensing program and decisions regarding small business applicants, and the Recipient will negotiate changes to its licensing policies, procedures, or practices with the National Park Service when this review discloses that the Recipient could take reasonable steps to implement more effectively the requirements of this paragraph (11)(4).

12. **Communication**

Communications regarding matters relating to this provision shall be directed to:
Deputy Associate Solicitor
Branch of Procurements and Patents
Office of the Solicitor
U.S. Department of the Interior
1849 C Street, NW
Washington, DC 20240

21. Ensuring the Future Is Made in All of America by All of America's Workers per E.O. 14005

Per Executive Order 14005, entitled "Ensuring the Future Is Made in All of America by All of America's Workers" the Recipient shall maximize the use of goods, products, and materials produced in, and services offered in, the United States, and whenever possible, procure goods, products, materials, and services from sources that will help American businesses compete in strategic industries and help America's workers thrive.

https://www.federalregister.gov/documents/2021/01/28/2021-02038/ensuring-the-future-is-made-in-all-of-america-by-all-of-americas-workers

22. Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. §794 (d))

While the requirements of Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794d), do not apply to financial assistance agreements, the NPS is subject to the Act's requirements that all documents posted on an NPS or NPS-hosted website comply with the accessibility standards of the Act. Accordingly, final deliverable reports prepared under this agreement and submitted in electronic format must be submitted in a format whereby NPS can easily meet the requirements of Section 508 of the Rehabilitation Act of 1973, as amended. *NOTE: Interim progress reports and financial reports are not considered final deliverables and therefore the following requirements do not apply.*

All electronic documents prepared under this Agreement must meet the requirements of Section 508 of the Rehabilitation Act of 1973, as amended. The Act requires that all electronic products prepared for the Federal Government be accessible to persons with disabilities, including those with vision, hearing, cognitive, and mobility impairments. View Section 508 of the Rehabilitation Act, Standards and Guidelines for detailed information (https://www.access-board.gov/guidelines-and-standards/communications-and-it/about-the-ict-refresh/final-rule/text-of-the-standards-and-guidelines).

The following summarizes some of the requirements for preparing NPS reports in conformance with Section 508 for eventual posting by NPS to an NPS-sponsored website. For specific detailed guidance and checklists for creating accessible digital content, please go to https://section508.gov/create. All accessible digital content must conform to the requirements and techniques of the Web Content Accessibility Guidelines (WCAG) 2.0 or later (https://www.w3.org/WAI/standards-guidelines/wcag/), Level AA Success Criteria.

- **Electronic documents with images**
  Provide a text equivalent for every non-text element (including photographs, charts and equations) in all publications prepared in electronic format. Use descriptions such as "alt" and "longdesc" for all non-text images or place them in element content. For all documents prepared, vendors must prepare one standard HTML format as described in this statement of work AND one text format that includes descriptions for all non-text images. "Text equivalent" means text sufficient to reasonably describe the image. Images that are merely decorative require only a very brief "text equivalent" description. However, images that convey information that is important to the content

of the report require text sufficient to reasonably describe that image and its purpose within the context of the report.

- **Electronic documents with complex charts or data tables**
  When preparing tables that are heavily designed, prepare adequate alternate information so that assistive technologies can read them out. Identify row and column headers for data tables. Provide the information in a non-linear form. Markups will be used to associate data cells and header cells for data tables that have two or more logical levels of row and column headers.

- **Electronic documents with forms**
  When electronic forms are designed to be completed on-line, the form will allow people using assistive technology to access the information, field elements, and functionality required for completion and submission of the form, including all directions and cues.

23. General and Special Provisions

1. **Lobbying Prohibition**. 18 U.S.C. §1913, Lobbying with Appropriated Moneys, as amended by Public Law 107–273, Nov. 2, 2002 Violations of this section shall constitute violations of section 1352(a) of title 31. In addition, the related restrictions on the use of appropriated funds found in Div. F, § 402 of the Omnibus Appropriations Act of 2008 (P.L. 110–161) also apply.
2. **Anti–Deficiency Act**. Pursuant to 31 U.S.C. §1341 nothing contained in this Agreement shall be construed as binding the NPS to expend in any one fiscal year any sum in excess of appropriations made by Congress, for the purposes of this Agreement for that fiscal year, or other obligation for the further expenditure of money in excess of such appropriations.
3. **Minority Business Enterprise Development**. Pursuant to Executive Order 12432 it is national policy to award a fair share of contracts to small and minority firms. NPS is strongly committed to the objectives of this policy and encourages all recipients of its Cooperative Agreements to take affirmative steps to ensure such fairness by ensuring procurement procedures are carried out in accordance with the Executive Order.
4. **Assignment**. No part of this Agreement shall be assigned to any other party without prior written approval of the NPS and the Assignee.
5. **Member of Congress**. Pursuant to 41 U.S.C. § 22, no Member of Congress shall be admitted to any share or part of any contract or agreement made, entered into, or adopted by or on behalf of the United States, or to any benefit to arise thereupon.
6. **Agency**. The Recipient is not an agent or representative of the United States, the Department of the Interior, NPS, or the Park, nor will the Recipient represent its self as such to third parties. NPS employees are not agents of the Recipient and will not act on behalf of the Recipient.
7. **Non–Exclusive Agreement**. This Agreement in no way restricts the Recipient or NPS from entering into similar agreements, or participating in similar activities or arrangements, with other public or private agencies, organizations, or individuals.
8. **Partial Invalidity**. If any provision of this Agreement or the application thereof to any party or circumstance shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement or the application of such provision to the parties or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby and each provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.
9. **No Employment Relationship**. This Agreement is not intended to and shall not be construed to create an employment relationship between NPS and Recipient or its representatives. No representative of Recipient shall perform any function or make any decision properly reserved by law or policy to the Federal government.
10. **No Third–Party Rights**. This Agreement creates enforceable obligations between only NPS and

Recipient. Except as expressly provided herein, it is not intended nor shall it be construed to create any right of enforcement by or any duties or obligation in favor of persons or entities not a party to this Agreement.

11. **Program Income.** If the Recipient earns program income, as defined in 2 CFR §200.80, during the period of performance of this agreement, to the extent available the Recipient must disburse funds available from program income, and interest earned on such funds, before requesting additional cash payments *(2 CFR§200.305 (5)).* As allowed under 2 CFR §200.307, program income may be added to the Federal award by the Federal agency and the non-Federal entity. The program income must be used for the purposes, and under the conditions of, the Federal award. Disposition of program income remaining after the end of the period of performance shall be negotiated as part of the agreement closeout process.
12. **Rights in Data.** The Recipient must grant the United States of America a royalty–free, non–exclusive and irrevocable license to publish, reproduce and use, and dispose of in any manner and for any purpose without limitation, and to authorize or ratify publication, reproduction or use by others, of all copyrightable material first produced or composed under this Agreement by the Recipient, its employees or any individual or concern specifically employed or assigned to originate and prepare such material.
13. **Conflict of Interest**
    1. Applicability.
        1. This section intends to ensure that non-Federal entities and their employees take appropriate steps to avoid conflicts of interest in their responsibilities under or with respect to Federal financial assistance agreements.
        2. In the procurement of supplies, equipment, construction, and services by recipients and by subrecipients, the conflict of interest provisions in 2 CFR 200.318 apply.
    2. Requirements.
        1. Non-Federal entities must avoid prohibited conflicts of interest, including any significant financial interests that could cause a reasonable person to question the recipient's ability to provide impartial, technically sound, and objective performance under or with respect to a Federal financial assistance agreement.
        2. In addition to any other prohibitions that may apply with respect to conflicts of interest, no key official of an actual or proposed recipient or subrecipient, who is substantially involved in the proposal or project, may have been a former Federal employee who, within the last one (1) year, participated personally and substantially in the evaluation, award, or administration of an award with respect to that recipient or subrecipient or in development of the requirement leading to the funding announcement.
        3. No actual or prospective recipient or subrecipient may solicit, obtain, or use non-public information regarding the evaluation, award, or administration of an award to that recipient or subrecipient or the development of a Federal financial assistance opportunity that may be of competitive interest to that recipient or subrecipient.
    3. Notification.
        1. Non-Federal entities, including applicants for financial assistance awards, must disclose in writing any conflict of interest to the DOI awarding agency or pass-through entity in accordance with 2 CFR 200.112, Conflicts of interest.
    4. Recipients must establish internal controls that include, at a minimum, procedures to identify, disclose, and mitigate or eliminate identified conflicts of interest. The recipient is responsible for notifying the Financial Assistance Officer in writing of any conflicts of interest that may arise during the life of the award, including those that have been reported by subrecipients. Restrictions on Lobbying. Non-Federal entities are strictly prohibited from using funds under this grant or cooperative agreement for lobbying activities and must provide the required

certifications and disclosures pursuant to 43 CFR Part 18 and 31 USC 1352.

5. Review Procedures. The Financial Assistance Officer will examine each conflict of interest disclosure on the basis of its particular facts and the nature of the proposed grant or cooperative agreement, and will determine whether a significant potential conflict exists and, if it does, develop an appropriate means for resolving it.
6. Enforcement. Failure to resolve conflicts of interest in a manner that satisfies the Government may be cause for termination of the award. Failure to make required disclosures may result in any of the remedies described in 2 CFR 200.338, Remedies for Noncompliance, including suspension or debarment (see also 2 CFR Part 180).

24. Signatures

Recipients are **not** required to sign the Notice of Financial Assistance Award letter or any other award document. As per DOI standard terms and conditions, the recipient's acceptance of a financial assistance award is defined as the start of work, drawing down of funds, or accepting the award via electronic means.

25. **Build America, Buy America**

As required by Section 70914 of the Bipartisan Infrastructure Law (also known as the Infrastructure Investment and Jobs Act), P.L. 117-58, on or after May 14, 2022, none of the funds under a federal award that are part of Federal financial assistance program for infrastructure may be obligated for a project unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States, unless subject to an approved waiver. The requirements of this section must be included in all subawards, including all contracts and purchase orders for work or products under this program.

Recipients are hereby notified that none of the funds provided under this award may be used for a project for infrastructure unless:

1. all iron and steel used in the project are produced in the United States — this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
2. all manufactured products used in the project are produced in the United States — this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and
3. all construction materials are manufactured in the United States — this means that all manufacturing processes for the construction material occurred in the United States.

The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project, but are not an integral part of the structure or permanently affixed to the infrastructure project.

For further information on the Buy America preference, please visit www.doi.gov/grants/BuyAmerica.

Additional information can also be found at the White House Made in America Office website: www.whitehouse.gov/omb/management/made-in-america/

Waivers

When necessary, recipients may apply for, and the Department of the Interior (DOI) may grant, a waiver from these requirements. The DOI may waive the application of the domestic content procurement preference in any case in which the agency determines that one of the below circumstances applies:

1. Non-availability Waiver: the types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality;
2. Unreasonable Cost Waiver: the inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent; or
3. Public Interest Waiver: applying the domestic content procurement preference would be inconsistent with the public interest.

There may be instances where an award qualifies, in whole or in part, for an existing DOI general applicability waiver as described at: www.doi.gov/grants/BuyAmerica/GeneralApplicabilityWaivers

If the specific financial assistance agreement, infrastructure project, or non-domestic materials meets the criteria of an existing general applicability waiver within the limitations defined within the waiver, the recipient is not required to request a separate waiver for non-domestic materials.

If a general applicability waiver does not already apply, and a recipient believes that one of the above circumstances applies to an award, a request to waive the application of the domestic content procurement preference may be submitted to the financial assistance awarding officer in writing. Waiver requests shall include the below information. The waiver shall not include any Privacy Act information, sensitive data, or proprietary information within their waiver request. Waiver requests will be posted to www.doi.gov/grants/buyamerica and are subject to public comment periods of no less than 15 days. Waiver requests will also be reviewed by the Made in America Office.

1. Type of waiver requested (non-availability, unreasonable cost, or public interest).
2. Requesting entity and Unique Entity Identifier (UEI) submitting the request.
3. Department of Interior Bureau or Office who issued the award.
4. Federal financial assistance listing name and number (reference block 2 on DOI Notice of Award)
5. Financial assistance title of project (reference block 8 on DOI Notice of Award).
6. Federal Award Identification Number (FAIN).
7. Federal funding amount (reference block 11.m. on DO Notice of Award).
8. Total cost of Infrastructure expenditures (includes federal and non-federal funds to the extent known).
9. Infrastructure project description(s) and location(s) (to the extent known).
10. List of iron or steel item(s), manufactured goods, and construction material(s) the recipient seeks to waive from Buy America requirements. Include the name, cost, countries of origin (if known), and relevant PSC or NAICS code for each.
11. A certification that the recipient made a good faith effort to solicit bids for domestic products supported by terms included in requests for proposals, contracts, and nonproprietary communications with the prime contractor.
12. A statement of waiver justification, including a description of efforts made (e.g., market research, industry outreach) by the recipient, in an attempt to avoid the need for a waiver. Such a justification

may cite, if applicable, the absence of any Buy America-compliant bids received in response to a solicitation.

13. Anticipated impact if no waiver is issued.

Approved waivers will be posted at www.doi.gov/grants/BuyAmerica/ApprovedWaivers; recipients requesting a waiver will be notified of their waiver request determination by an awarding officer. Questions pertaining to waivers should be directed to the financial assistance awarding officer.

Definitions

“Construction materials” includes an article, material, or supply, other than an item of primarily iron or steel; a manufactured product; cement and cementitious materials; aggregates such as stone, sand, or gravel; or aggregate binding agents or additives, that is or consists primarily of:

- non-ferrous metals;
- plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables);
- glass (including optic glass);
- lumber; or
- drywall.

“Domestic content procurement preference’’ means all iron and steel used in the project are produced in the United States; the manufactured products used in the project are produced in the United States; or the construction materials used in the project are produced in the United States.

“Infrastructure” includes, at a minimum, the structures, facilities, and equipment for, in the United States, roads, highways, and bridges; public transportation; dams, ports, harbors, and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; and buildings and real property. Infrastructure includes facilities that generate, transport, and distribute energy.

‘‘Project’’ means the construction, alteration, maintenance, or repair of infrastructure in the United States.

Program Specific Requirements

1. Eligible Costs

Eligible costs under this award are as described in this Notice, 2 CFR 200, and the Historic Preservation Fund Grants Manual (HPF Manual).

For this program eligible costs also include:

1. Projects under the eligible program areas as defined by the National Historic Preservation Act (NHPA): Administration, Local Government Certification, Development/Covenants, National Register, Planning, Review & Compliance, Survey & Inventory, and Tax Incentives;

2. Administrative costs necessary to complete and administer the grant requirements;

3. Rehabilitation of properties;

1. Eligible properties include historic districts, buildings, sites, structures and objects listed in the National Register of Historic Places or applicable Tribal Register;
2. All work must meet the Secretary of the Interior's *Standards and Guidelines for Archeology and Historic Preservation*; and
3. All projects receiving repair assistance must enter into a preservation agreement/covenant/easement

4. Survey and Inventory of historic resources to determine eligibility;

5. Cost for administering an easement/covenant for the property;

6. Cost for any required audits or financial requests;

7. Cost for the production of project signs:

8. Costs for public notice of grant opportunities;

9. Costs associated with required training or reporting; and/

10. Any other costs as determined eligible by the NPS in accordance with the OMB circulars, NPS policies, and the Historic Preservation Fund Grants Manual.

2. NPS Oversight

The NPS will provide oversight of this grant project through the following NPS reviews:

1. Review and approval of annual and final reporting to include compliance with 2 CFR 200;

2. Review and approval for compliance with the Secretary of the Interior's *Standards and Guidelines for Archeology and Historic Preservation*;

3. Review and approval for compliance with Sections 106 (54 USC 306108) and 110f (54 USC 306107) of the National Historic Preservation Act in coordination with the appropriate State Historic Preservation Office;

4. Review and approval for compliance with the National Environmental Policy Act (NEPA); and

5. Any other reviews as determined by the NPS based on program needs or financial/programmatic risk factors (i.e., draft National Register nomination if required, etc.).

3. NAGPRA Costs Are Unallowable

Cost related to Native American Graves Protection and Repatriation Act (NAGPRA) activities are unallowable under this agreement. Funds for NAGPRA activities are available through the NPS National NAGPRA Program.

4. Equipment Purchases

Each item of equipment purchased under this award must be approved specifically and in writing by the NPS prior to purchase to confirm the allowability of the costs. Approval of the application is not approval of equipment included within the application. Equipment is defined by 2 CFR 200.1 as tangible personal

property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-federal entity for financial statement purposes, or $5,000.

5. Publicity & Press Releases

   Press releases about this project must acknowledge the grant assistance provided by the Historic Preservation Fund and the National Park Service, and copies of the press releases must be provided to the NPS. The Recipient must transmit notice of any public ceremonies planned to publicize funded or related projects in a timely enough manner so that the NPS, Department of the Interior, Congressional or other Federal officials can attend if desired. All publicity and press releases related to activities funded with this award should include a statement that funding for the activity was provided (in part or in whole) by the Historic Preservation Fund (HPF) administered by the National Park Service.

6. Requirement for Project Sign & Public Notification

   As stipulated in 36 CFR Part 800, public views and comments regarding all Federally-funded undertakings on historic properties must be sought and considered by the authorizing Federal agency. Therefore, the grantee is required to post a public notification regarding the undertaking under this grant in one or more of the major newspapers or news sources that cover the area affected by the project within 30 days of obligating any contracts or subgrants. A copy of the posted release must be submitted to NPS within 30 days of the posting.

   HPF funded development projects must create public notification of the project in the form of a project sign, website posting, and proper credit for announcements and publications as appropriate. The sign/notification must be of reasonable and adequate design and construction to withstand weather exposure (if appropriate); be of a size that can be easily read from the public right-of-way; and be accessible to the public throughout the project term as stipulated in this Grant Agreement. At a minimum, all notifications must contain the following statement:

   "[Project Name] is being supported in part by the Historic Preservation Fund administered by the National Park Service, Department of the Interior."

   Additional information briefly identifying the historical significance of the property and recognizing other contributors is encouraged and permissible. The NPS arrowhead logo may only be used in conjunction with the HPF approved signage format that can be provided upon request. Any other use of the logo is prohibited.

7. Consultants & Contractors

   Consultant/contractor(s) must have the requisite experience and training in historic preservation or relevant field to oversee the project work. All consultants and contractors must be competitively selected and documentation of this selection must be maintained by the grantee and be made readily available for examination by the NPS. Federal contracting and procurement guidance can be found in 2 CFR 200.318. Maximum rates charged to this grant may not exceed 120% of a Federal Civil Service GS-15, step 10 salary per project location. Current regional salary tables can be found on the Office of Personnel and Management website: https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/.

8. Requirement for NEPA Compliance

   All HPF funded grants are subject to the requirements of the National Environmental Policy Act (NEPA)

of 1969, as amended. This Act requires Federal agencies to consider the reasonably foreseeable environmental consequences of all grant-supported activities. As part of the NPS implementation of NEPA, grantees are required to notify the NPS of any reasonably foreseeable impacts to the environment from grant–supported activities, or to certify that no such impacts will arise upon receipt of a grant award. In addition, the NPS has determined that most HPF grant funds are not expected to individually or cumulatively have a significant impact on the environment, unless the activity involves development (construction) or archeology. For construction or archeology projects, the applicant/grantee should use **HPFOnline** to submit an *Environmental Screening Worksheet*, in order to assist the NPS in determining if a Categorical Exclusion (found in NPS Director's Order 12) can be utilized.

9. Compliance with Section 106

   Pursuant to Section 106 of the National Historic Preservation Act (54 USC 306108), the NPS and the grantee must complete the consultation process stipulated in the regulations issued by the Advisory Council on Historic Preservation (ACHP) in 36 CFR 800 **prior** to the commencement of all grant-assisted construction or ground disturbance on the property.

10. Compliance with Section 110

    Section 110 of The National Historic Preservation Act identifies the responsibility of the federal agency in their treatment of historic properties. Section 110(f) (54 USC 306107) clarifies the responsibility of the agency to protect National Historic Landmarks (NHL) from harm. See this agreement for submission requirements regarding NHL properties. In addition, Section 110(k) (54 USC 306113) prohibits the NPS from funding any grantee or subgrantee that attempts to avoid the requirements of Section 106. Grantees must make every effort to fund preservation projects that do no harm or adverse effects to NHL properties. Should it be discovered a grantee has deliberately damaged a property (e.g., pre-emptive demolition) to avoid requirements, the NPS must be notified to determine, in consultation with the ACHP, if the project can proceed.

11. NPS Review of Planning/Design Documents for National Historic Landmarks

    The grantee must submit the following through HPFOnline:

    1. a site plan that has the north direction clearly marked;

    2. a city/county map with the site of the property clearly labeled;

    3. set of plans and specifications for the project;

    4. digital images of all exterior elevations of the building or site, with views identified and oriented and keyed to the site plan;

    5. digital images of all interior major rooms and those involved in the project, labeled and keyed to a floor plan;

    6. for NHL Districts include overall views of the district from the project area; and

    7. any additional information that will better enable a technical review of the project to be completed.

    The grantee must submit documents for the entire undertaking to the NPS for its review and approval to ensure conformance with the Secretary of the Interior's *Standards and Guidelines for Archeology and*

Historic Preservation, Historic Preservation Fund Grant Manual, and with the conditions listed in this Grant Agreement, **prior** to the beginning of grant-assisted work. Work that does not comply with these Standards in the judgment of the NPS will not be reimbursed, and may cause the grant to be terminated and funds deobligated.

Plans & specifications for the project must be marked on the cover with this statement:

The {name of property} is designated a National Historic Landmark for its architectural and historic significance. It is considered to have irreplaceable cultural, material, and aesthetic value. The work is funded in part by the Historic Preservation Fund, administered by the National Park Service, Department of the Interior. The funding of which is subject to having all work items meet The Secretary of the Interior's Standards for the Treatment of Historic Properties.

12. GIS Spatial Data Transfer Standards

    All GIS data collected with HPF funds shall be in compliance with the NPS Cultural Resource Spatial Data Transfer Standards with complete feature level metadata. Template GeoDatabases and guidelines for creating GIS data in the NPS cultural resource spatial data transfer standards can be found at the NPS Cultural Resource GIS Facility webpage:

    https://www.nps.gov/crgis/crgis_standards.htm

    Technical assistance to meet the NPS Cultural Resource Spatial Data Transfer Standard specifications will be made available if requested. Execution of a Data Sharing Agreement between the NPS and the Recipient shall take place prior to collection of GIS data using HPF funds, as applicable.

13. Catalog of Federal Domestic Assistance/Assistance Listing Inclusion in Single Audit

    Non-Federal entities receiving financial assistance through the Historic Preservation Fund must include the appropriate Catalog of Federal Domestic Assistance (CFDA) number in the Schedule of Expenditures of Federal Award in their Single-Audit. The CFDA number applicable to this award as identified in block 2 on the first page of this agreement document.

14. Notice of Financial Management Review

    As part of government-wide efforts to improve coordination of financial management and increase financial accountability and transparency in the receipt and use of federal funding, the grantee is hereby notified that this award may be subject to higher scrutiny. This may include a requirement to submit additional reporting documentation.

15. Subgrant Awards

    The awarding of subgrants must follow the eligibility factors outlined in the Notice of Funding Opportunity, OMB regulations in 2 CFR 200, and the Historic Preservation Fund Grant Manual.

16. Unanticipated Discovery Protocols

    At a minimum, unanticipated discovery protocols for subgrants or contracts shall require the sub-grantee or contractor to immediately stop construction in the vicinity of the affected historic resource and take reasonable measures to avoid and minimize harm to the resource until the SHPO or THPO, sub-grantee or contractor, and Indian Tribes, as appropriate, have determined a suitable course of action within 15 calendar days. With the express permission of the SHPO and/or THPO, the sub-grantee or contractor may

perform additional measures to secure the jobsite if the sub-grantee or contractor determines that unfinished work in the vicinity of the affected historic property would cause safety or security concerns.

17. Requirement for Training

    At the direction of the National Park Service, personnel associated with management of the grant program may be required to attend trainings and/or meetings. The grantee will be provided adequate notice to plan for any required activities; expenses incurred as part of this requirement are eligible to charge towards the grant.

18. Demonstration of Effort – Performance Goals

    In order to ensure the timely and successful completion of all HPF grant awards, the NPS requires acceptable demonstration of effort by the grantee on project work supported by all HPF funded grants.

    Demonstration of effort means acceptable performance by undertaking meaningful progress on grant-supported activities and complying with award terms and conditions.

19. Funding for Use of Unmanned Aircraft Systems (UAS) (AKA Drones)

    HPF funding for unmanned aircraft systems (UAS) usage is eligible only in the contracting of an experienced, licensed contractor of UAS who possesses the appropriate license, certifications, and training to operate UAS. The contractor is required to provide proof of liability insurance in the operation of UAS for commercial use.

    If HPF funding is provided to a state, tribal, local, or territorial government, or other non-profit organization for the use of UAS as part of their scope of work, the recipient must have in place policies and procedures to safeguard individuals' privacy, civil rights, and civil liberties prior to expending such funds.

20. Easement/Covenant Requirement

    Section 54 USC 302902 of the National Historic Preservation Act requires Historic Preservation Fund grantees agree to assume, after the completion of the project, the total cost of continued maintenance, repair and administration of the grant-assisted property in a manner satisfactory to the Secretary of the Interior. Accordingly, recipients awarded funds for the physical preservation of a historic site shall sign a preservation agreement/covenant/easement (easement) with the State or Tribal Historic Preservation Officer in which the site is located or with a nonprofit preservation organization acceptable to the NPS. For competitive (project) grants, a draft copy of the preservation covenant/easement template must be submitted to the NPS ATR within one year of grant agreement execution for review and comment.

    All preservation easements must be executed by registering it with the deed of the property. Baseline documentation of the character defining features of the site must be documented prior to construction through photographs. The preservation easement must document the grant assisted condition of the site and the historic character defining features as part of the document registered with the deed.

    The term of the preservation easement is dependent on the amount of assistance the historic property receives from this opportunity:

    1. If the historic property is not currently protected by a preservation easement, a preservation easement must be executed for the term as given in the table below per the amount of

funding awarded.

2. If the historic property is currently subject to a preservation easement that meets the minimum federal preservation requirements, an extension must be executed for an additional duration to meet the requirements of the new funding awarded. Required term is identified in the table below. For example, if a property had 10 years remaining on a previous 20-year easement, and receives $300,000 in HPF funding, an amendment to add 15 years would be required.

3. If the historic property is currently protected by a perpetual or other preservation easement that meets or exceeds the requirements of this grant program as determined by the NPS, no additional duration or restrictions are necessary.

Amount of Federal Assistance Awarded	Covenant/Easement Term Requirement
$1-$50,000	5-year minimum preservation agreement; a covenant/easement amending the deed is not required
$50,001 - $250,000	10-year minimum preservation covenant/easement
$250,001 - $500,000	15-year minimum preservation covenant/easement
$500,001- $750,000	20-year minimum preservation covenant/easement
$750,001+	25-year minimum preservation covenant/easement

21. Audit Findings and Follow-Up

The Recipient is hereby informed that the NPS may withhold or suspend award funds, or may impose other related conditions, if the recipient does not satisfactorily and promptly address findings from Single or program-specific audits, investigations, or reviews of NPS programs and awards. Each year the award is active, the Recipient must require its auditors to provide status report updates of all audit findings included in the prior audit's Schedule of Findings and Questioned Costs, as required by 2 CFR 200, Subpart F ("Grants and Agreements, Audit Requirements"). Upon review of subsequent annual audits, the NPS will determine if further corrective action is warranted.

When findings exist, the Recipient must submit a status report every six months to the NPS of all steps being taken to resolve related audit findings included in the prior audit's *Schedule of Findings and Questioned Costs* to remain in good standing for all NPS grant awards. If the Recipient fails to meet these deadlines without written approval of extension from the NPS, NPS may withhold remaining and future award funds, or may impose other related requirements to ensure compliance with this condition. Outstanding audit findings, if any, are included in the attachments of this Agreement.

22. Copyright

Per 2 CFR 200.315(b), the NPS reserves a royalty-free right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so, any materials produced under this grant. All photos included as part of the interim & final reporting and deliverables/publication will be considered released to the NPS for future official use. Photographer, date, and caption should be identified on each photo, so NPS may provide proper credit for use.

A digital copy of all deliverables must be available for public access. Sensitive information may be redacted from the public access copy.

All consultants hired by the Recipient must be informed of this requirement.

23. Compliance with the Americans with Disabilities Act and the Architectural Barriers Act

The use of federal funds to improve public buildings, to finance services or programs contained in public buildings, or alter any building or facility financed in whole or in part with Federal funds (except privately owned residential structures), requires compliance with the 1990 Americans with Disabilities Act (ADA), Section 504 of the Rehabilitation Act of 1973, and the Architectural Barriers Act (ABA). Work done to alter the property should be in compliance with all applicable regulations and guidance.

24. Funding Acknowledgement

The grantee must include acknowledgment of grant support from the Historic Preservation Fund of the National Park Service, Department of Interior, in all deliverables and publications concerning NPS grant-supported activities as referenced in the Statement of Work.

All deliverables must contain the following disclaimer and acknowledgement:

"This material was produced with assistance from the Historic Preservation Fund, administered by the National Park Service, Department of the Interior under Grant Number [insert grant number] (and HPF Online Project Number, if applicable). Any opinions, findings, and conclusions or recommendations expressed in this material are those of the author(s) and do not necessarily reflect the views of the Department of the Interior."

1. Deliverables/publications include but are not limited to grant project reports; books, pamphlets, brochures or magazines; video or audio files; documentation of events, including programs; invitations and photos; websites; mobile apps; exhibits; and interpretive signs.
2. All digital copies must follow the file naming convention described in the attached Digital Product Submission Guidelines. Refer to the attached guidance document for instructions on creating, naming and submitting digital copies of deliverables/publications.
3. All consultants hired by the grantee must be informed of this requirement.
4. Grantees, subgrantees, contractors may not use the NPS Arrowhead in any form without written permission.

25. Determination of Risk

In accordance with 2 C.F.R. § 200.205, the application for this award was subjected to a pre-award risk assessment which included a review of information contained within the application, past audits, Federal Awardee Performance and Integrity Information System (FAPIIS), and/or past performance on previous Federal financial assistance awards and other factors.

This award has been determined to be a low risk with the following requirements:

Requests for payment may be made directly from the ASAP grant account without prior NPS approval after expenses have been incurred, invoiced, and paid. All documentation of expenses must be kept on file for audit purposes and may be requested by the NPS at any time. If payments are drawn down prior to invoice and payment or in amounts larger than costs incurred, the Recipient may be determined medium or high risk and be subject to additional grant terms and conditions.

26. Cost Sharing/Matching Requirement

A minimum of 40% non-Federal cost-share is required for costs incurred under this grant program. The recipient agrees to contribute the amount identified in block 11n in eligible non-Federal matching contributions that are allowable, property documented, and must be used during the grant period to share the costs for this statement of work. Failure to use the required non-Federal matching share will result in the disallowance of costs reimbursed, and/or the deobligation of remaining unexpended funds.

27. Pass-Through to Certified Local Governments

At least 10.0% of the amount awarded to each state (the Federal share of this grant) must be transferred to eligible Certified Local Governments (CLGs) in the state. **Funds not obligated to CLGs by July 1 of the second year may be recaptured and redistributed to the benefit of other CLGs. Funds not expended in the third year may be recaptured and returned to the U.S. Treasury.** If the State anticipates possible recapture, they must notify the NPS as soon as possible so they may assist in possible redistribution of the funds.

AWARD ATTACHMENTS

NATURAL RESOURCES, MISSOURI DEPARTMENT OF P22AF01279-00

1. Environmental Certification
2. Digital Products Submission Guidelines

United States Department of the Interior
NATIONAL PARK SERVICE
1849 C Street, NW
Washington, DC 20240

ENVIRONMENTAL CERTIFICATION

Based upon a review of the application, proposed work, and the supporting documentation contacting in the applications, it has been determined that the proposed HPF funded work meets the criteria for categorical exclusion under the current Interim Director's Order 12 *Categorical Exclusions* (replacing DO-12 Handbook, Chapter 3, Sections 3.3, 3.4, and 3.5).

Applicable categorical exclusion(s) below apply to all proposed projects **except** development and archeological survey which must be reviewed independently: **F.1 – F.6 – Actions Related to Grant Programs**

Megan J. Brown
Chief State, Tribal, Local, Plans & Grants
National Park Service

[effective as of Date Issued]
(block 1, page 1)

Digital Product Submission Guidelines

The National Park Service's (NPS) State, Tribal, Local Plans & Grants (STLPG) Division developed these guidelines to outline the digital product submission process for grant recipients. These guidelines specify the types of products that should be submitted, supply guidance on the file names and formats grant recipients should use, and define how submissions should be made.

Products submitted digitally may be uploaded and shared with the general public through the Integrated Resource Management Application (IRMA), the NPS's digital repository system. The see grant products that have already been uploaded, use the above link, choose Historic Preservation Fund (HPF) under "Select a Park, Office, Program or Region" and selected a category of featured context.

What to submit:

- Provide one digital copy of each deliverable or publication under your grant agreement. Refer to the Reports, Outputs, & Outcomes article to find the deliverables and publications specified in your grant agreement.
- Deliverables and publications include, but are not limited to, the following materials:

SUBMIT	DO NOT SUBMIT
Reports, plans and guidelines (including historic structure reports, design guidelines, economic impact studies, treatment reports, historic context statements, preservation plans) **Substantive event materials** (including programs, proceedings, handouts, photographs) **Professionally produced content** (including books, documentaries, oral histories, presentations and PSAs) **Interpretive products** (including books, brochures, posters, interpretive tours, coloring books or other youth-focused products, lesson plans) **Online content** (including websites, story maps, and other web-based projects)	**Digital copies saved on CD/DVD-Rs or flash drives** (unless arrangements have been made with your grant administrator) **Confidential/restricted reports that cannot be viewed by the general public** (including archeological reports, architectural reports on federal buildings or restricted sites) **Other documentation not intended for the general public** (including survey forms, financial records, correspondence) **Ephemeral products unlikely to be of future value to the general public** (including flyers, postcards, invitations, meeting minutes)

- **Final grant products may be made available to the general public and should, by default, feature the NPS disclaimer.** Printed products must feature a printed disclaimer when feasible. Audio products must include a spoken version of the disclaimer. Video products must include the disclaimer as an on-screen graphic. A disclaimer is not required when it would be unreasonable to do so, such as on size-restrictive publications like postcards or flyers.

  "This material was produced with assistance from the [Name of Program], administered by the National Park Service, Department of the Interior. Any opinions, findings, and conclusions or recommendations expressed in this material are those of the author(s) and do not necessarily reflect the views of the Department of the Interior."

- For additional questions about the required disclaimer, consult with your NPS grant manager.

Naming files for submission:

- Name each file you will be submitting using the following naming convention:
  SHPO_[Fiscal Year]_[Grantee's State Abbreviation]_[Legal Name of Grantee or Subgrantee]_[Grant Number]_[Short File Description]
- Do not use spaces or special characters (#, %, &, ?) in the file name.
- For "Short File Description," write a brief (less than 50 characters), unique description that would help someone easily and quickly identify the file.
- If files are part of a series, append the number 001, 002, etc. to the end of the description.
  Ex: Audio files submitted under a FY2018 grants by the DC State Historic Preservation Office
  SHPO_18_DC_GranteeHistoricDistrict_P17AF00001_JohnDoeInterview001.mp3
  SHPO_18_DC_GranteeHistoricDistrict_P17AF00001_JohnDoeInterview002.mp3

Required file formats and resolution standards:

- *Reports and publications:* PDF files created at 300 ppi (pixels per inch) minimum and 100% of the original document size. Convert authoring formats to PDFs (for example, saving Word or InDesign files as PDFs). When born-digital is not available, provide high resolution scans of printed materials as PDFs. Preference is for PDF/A-1 or PDF/A-2 format over standard PDF.
- *Photos:* JPEG or TIFF files saved at a minimum resolution of 3000 x 2000 pixels (or 6 megapixels).
  - **When submitting photographs, include captions, photo credit, and a signed release form (if needed).** Photo release forms are available on the STLPG website.
  - **Development (construction) grants must submit photographs of all work completed under the grant, including at least three views of the overall structure and all elements of the scope of work.** Refer to the NPS Documenting Historic Places on Film guidelines for more information on photographing a variety of historic environments and buildings.
- *Videos:* MP4 files saved at a resolution of 1280 by 720 pixels. All videos produced with HPF funding should include closed captioning. When reasonable, provide transcripts of videos as Word documents.
- *Audio:* Uncompressed WAV files. When reasonable, provide transcripts of audio files as Word documents.
- For more information about formatting deliverables, consult the National Archives' Tables of File Formats.

Creating an index file for your submission:

- Include this information in the index file for each product that is being submitted:
  Grant Number
  Subgrant Number (if applicable)
  Title of Product
  Filename
  Product Creator(s) (give full names and their roles include up to 5 names or organizations)
  Date Completed
  Extent (number of pages, photographs, or length of audio/video files; use when applicable)
  Description (up to 200 words)
- Save the index file as a Microsoft Word document using the following naming convention:
  SHPO_[Fiscal Year]_[Grantee's State Abbreviation]_[Legal Name of Grantee or Subgrantee]_[Grant Number]_Index.docx
  Ex. SHPO_18_DC_GranteeHistoricDistrict_P17AF00001_Index.docx
- Only submit one index per submission, including all of the products in that submission

Submitting Your Files:

1. Email stlpg@nps.gov to ask to be added to your grant folder.
2. You will receive an e-mail from the Records Management Assistant's e-mail account (currently caitlin_white@partner.nps.gov) with the subject 'White, Caitlin E shared the folder "[Grant Name]" with you'. Click 'Open' in the e-mail.
3. You will be sent to a page asking you to Request Verification Code. Click 'Send Code.'
4. A second e-mail from no-reply@sharepointonline.com with the subject 'Code [Eight digit number] is your Microsoft SharePoint verification code.'
    a. Copy the code from the e-mail and paste into the box on the 'Enter Verification Code' page that appeared after you requested a code be sent to you.
5. Click the 'Upload' button at the top of the page.
    a. It will give you the option to either upload file(s) or a folder.
6. In the new window, click on the file you wish to upload and then 'Open'. The file should now appear on the page.
7. E-mail the stlpg@nps.gov account to notify them that the files have been submitted using the template provided in your welcome e-mail. Unlike the previous system, there is no notification given when a file is uploaded and YOUR FILES WILL NOT BE CONSIDERED SUBMITTED UNTIL THIS EMAIL IS RECEIVED.

Reviewing submitted files:

- When NPS receives the files, we will review your submitted products for compliance with the HPF grants manual, the Secretary of the Interior's Standards of Archeology and Historic Preservation, and any other relevant requirements.
- If there are issues with the submitted files or grants products, your grant manager will contact you and may ask for corrections and resubmission if necessary.
- NPS will also determine whether the submitted products are suitable for sharing with the general public through the Integrated Resource Management Application (IRMA), the NPS's digital repository system. If so, we will upload the files there and make them publicly available.

CONSENT AGENDA STAFF REPORT

ITEM CONSIDERED: Item C

SUBJECT: Cooperative Procurement – Sourcewell, Contract 093021-ELG with Elgin Sweeper of Elgin, Illinois for the purchase of an Elgin Street Sweeper

DATE CONSIDERED: December 19, 2022

DEPARTMENT DIRECTOR(S): _____

CITY ADMINISTRATOR: _____

Staff recommends approval to utilize the Sourcewell contract with Elgin Sweeper of Elgin, Illinois for the purchase of an Elgin street sweeper and future purchases.

FISCAL NOTE:

The purchase will be $260,050.45 and will come from the Street Equipment/Vehicles-Sales Tax G account number 45-990-585001.

PAST PERFORMANCE:

The City has utilized Elgin sweepers in the past and has provided satisfactorily to the Department.

FINANCE DEPARTMENT
PURCHASING DIVISION

SUBJECT: Cooperative Procurement – Sourcewell, Contract 093021-ELG
Public Works –Street Department – Opened by Sourcewell, MN September 30, 2021

RECOMMENDATION:

Staff requests approval to utilize the Sourcewell contract, 093021-ELG, with Elgin Sweeper of Elgin, Illinois for the purchase of an Elgin street sweeper and future purchases. The City wants to continue to use Elgin street sweepers in order to maintain interchangeable parts and staff are trained in the maintenance and operation of the sweepers. Rather than bid out the sweeper, incur the cost and time to have the same result, the City is asking permission to use the Sourcewell contract. This contract allows for a 3% discount. The City currently uses this contract for the purchase of street sweeper parts and supplies. This contract is a national contract and uses Key Equipment as its vendor to service Missouri.

The contract was competitively bid by Sourcewell which is a State of Minnesota local government unity and service cooperative and follows a competitive procurement process similar to the City's. The Sourcewell contract was competitively bid and vendors were evaluated and ranked. Elgin ranked 6.5 out of 22. Vendors ranked 1-5 do not sell Elgin sweepers.

FISCAL NOTE:

Account Number	Description	FY 2023 Budget	Expended or Encumbered Amount	Bid Amount	Balance
45-990-585001	Street Equip/Vehicles – Sales Tax G	$410,000.00	$124,278.00	$260,050.45	$25,671.55
			Bid Total	**$260,050.45**	

PAST PERFORMANCE:

The City has utilized Elgin sweepers in the past and has utilized Key Equipment for equipment and parts. The vendor has provided products satisfactorily to the Department.

ATTACHMENTS – SUPPORTING DOCUMENTATION

Signature: Leigh A Corrigan
Purchasing Agent 12/7/22

Proposal Evaluation
Street Sweepers and Specialty Sweepers, with Related Equipment, Accessories, and Supplies RFP #093021

	Possible Points	Aebi Schmidt North America dba M-B Companies, Inc.	Aries Industries, Inc.	Bonnell Industries Inc	Bucher Municipal North America	Curbtender, Inc.	Cyclone Technology LLC	DuCo, LLC (Schwarze Industries, Inc.)	Elgin Sweeper Co. (Division of Federal Signal Corp.)
Conformance to RFP Requirements	50	43	-	43	43	42	39	44	41
Pricing	400	333	-	323	330	336	279	331	330
Financial Viability and Marketplace Success	75	63	-	62	64	60	62	66	61
Ability to Sell and Deliver Service	100	76	-	78	81	82	71	87	82
Marketing Plan	50	42	-	43	38	43	36	43	39
Value Added Attributes	75	67	-	62	65	59	53	66	61
Warranty	50	41	-	40	44	45	41	42	42
Depth and Breadth of Offered Equipment, Products, or Services	200	156	-	139	161	157	146	175	167
Total Points	1,000	821	0	790	826	824	727	854	823
Rank Order		8	22	10.5	4	5	16.5	2	6.5

	Possible Points	Exprolink Inc.	FAYAT Environmental Solutions Americas (RAVO Holding BV)	Global Environmental Products, Inc	Gradall Industries, Inc.	Holms, Inc.	Hughes Ventures, Inc.	Nescon LLC	Nilfisk, Inc.
Conformance to RFP Requirements	50	45	43	39	41	35	35	39	39
Pricing	400	350	331	334	315	240	259	300	301
Financial Viability and Marketplace Success	75	66	65	63	64	51	49	52	57
Ability to Sell and Deliver Service	100	87	82	84	85	65	56	68	65
Marketing Plan	50	45	42	39	37	28	32	36	34
Value Added Attributes	75	62	67	63	59	47	50	61	58
Warranty	50	42	44	41	42	42	38	40	42
Depth and Breadth of Offered Equipment, Products, or Services	200	164	149	168	147	126	129	131	126
Total Points	1,000	861	823	831	790	634	648	727	722
Rank Order		1	6.5	3	10.5	21	20	16.5	18

	Possible Points	ODRA, LLC (Challenger Manufactureing, Ltd.)	ROOTS MULTICLEAN INC. VICTORY SWEEPERS DIVISION	Stepp Manufacturing Company Inc	Triverus LLC	Trombia Technologies	TYMCO, Inc.
Conformance to RFP Requirements	50	43	39	35	41	40	38
Pricing	400	320	321	323	254	312	297
Financial Viability and Marketplace Success	75	64	55	58	54	58	55
Ability to Sell and Deliver Service	100	83	61	75	60	69	70
Marketing Plan	50	41	35	38	36	41	34
Value Added Attributes	75	59	56	49	62	62	63
Warranty	50	44	38	38	40	41	40
Depth and Breadth of Offered Equipment, Products, or Services	200	139	161	113	126	138	161
Total Points	1,000	793	766	729	673	761	758
Rank Order		9	12	15	19	13	14

DocuSigned by:
Kim Austin
6830543C58384D1...
Kim Austin, MBA, CPPB, Procurement Lead Analyst

DocuSigned by:
Bill Davison
679614F597034BA...
Bill Davison, CPPO, NIGP-CPP, Procurement Analyst

DocuSigned by:
Brandon Town
7BCA93CD6377421...
Brandon Town, CPSM, CPSD, Procurement Analyst

DocuSigned by:
0B0204E40D3E445...
Michael Muñoz, CPPB, Procurement Analyst

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Sourcewell

Solicitation Number: RFP #093021

CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Elgin Sweeper Company, 1300 West Bartlett Road, Elgin, IL 60120 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Street Sweepers and Specialty Sweepers, with Related Equipment, Accessories, and Supplies from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

A. EFFECTIVE DATE. This Contract is effective upon the date of the final signature below.

B. EXPIRATION DATE AND EXTENSION. This Contract expires November 16, 2025, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.

C. SURVIVAL OF TERMS. Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

A. EQUIPMENT, PRODUCTS, OR SERVICES. Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above.

Sourcewell

Elgin Sweeping #093021-ELG

Pricing for contract #093021-ELG offers Sourcewell participating agencies the following discounts:

- 3% discount off list price
- In addition to the discount off MSRP, volume discounts may be considered on a case-by-case basis

KEY EQUIPMENT & SUPPLY CO.

Presents a Proposal Summary

of the

ELGIN
Built for clean. Backed for life.

Pelican NP

Pelican NP Three Wheel Mechanical Street Sweeper with Single Side Broom and Belt Conveyor

for

Jefferson City
320 E. McCarty
Jefferson City, MO 65101



Sourcewell
Awarded Contract

Hunter Cannon
Tel:314-614-6262

PRODUCT DESCRIPTION

· Single steer & gutter broom, right side hydraulically driven, Tier 4F JD 4045TF low emission diesel engine, hydrostatic drive and steering, chassis and wheels powder coated standard white.

STANDARD FEATURES

· Air cleaner, two-stage, dry type with restriction indicator
· Air Conditioner
· Alternator, 120 amp
· Anti Siphon water fill
· Automatic engine shutdown (oil pressure/engine temperature)
· Automatic pickup in reverse
· B20 biodiesel compatible
· Back up alarm, electric
· Battery, maintenance free
· Brakes, power
· Broom, main, hydraulically suspended
· Broom, main, in cab pressure control
· Broom, main, prefab, disposable
· Broom, side broom, hydraulically suspended
· Broom, side broom, in cab pressure control
· Broom Measurement Ruler
· Bumper pads, front jack
· Coolant recovery system
· Doors, see through glass, prop-able
· Electronic Throttle
· Engine, hour meter
· Gauges & Warning lights: engine oil temperature, engine oil pressure, fuel level, speedometer & odometer w/trip set
· Fenders, over front wheels
· Flushing system for hopper/conveyor
· Fuel tank, 35 gallons
· Fuel Water separator with indicator light
· Heater, pressurizer with filtered air, defroster
· Hose, hydrant fill, 16' 8" with coupling
· Light, spotlight, adjustable, one per side broom
· Lights, 2 combination, tail/stop lights
· Lights, headlights, multiple beam
· Lights, low water light
· Low Hydraulic Warning
· Main broom controls in cab
· Manuals, operator, and parts
· Mirror, inside rear view
· Mirrors, outside, front mounted 6-inch fish eyes
· Mirrors, outside, front post mounted, west coast type, one each side
· Parking brake with interlock
· Rear Camera & in cab monitor
· Return to sweep feature
· Seat Belts (both sides for dual)
· Seats, extra wide cordura suspension seats with arm rests
· Signals, self-canceling directional with hazard switch
· Sprung guide wheel, heavy duty
· Steering wheel, tilt and telescoping
· Sun visors

- Tachometer, diesel engine
- Tires, tubeless radials
- Tow loops, four
- Water tank, fill gauge
- Water tank, molded polyethylene: 220-gallon total nominal capacity
- Wheels, dual guide
- Wheels painted grey
- Window, opening front opera
- Windshield washer
- Windshield wipers with intermittent setting
- Windshield, tinted
- Steel Bristles with Polyethylene Sidebroom Segments
- Rubber Dirt Shoes
- Unheated Unmotorized Mirrors
- Sweeper Painted Standard White
- Red Logo
- 1 Year Parts and Labor Warranty
- Sweeper - Operator Manual
- Sweeper Parts Manual
- John Deere Operator Manual
- John Deere Parts Manual

ADDITIONAL FEATURES

- Sidebroom Tilt Option Right Hand Including Indicator
- Strip Main Broom (URB) - Center Sweep
- Lower Conveyor Cleanout
- Midwest Autolube Single Sidebroom
- Hydraulic Level Shutdown
- Hydraulic Temperature Shutdown
- LED Stop/Tail/Turn
- LED Lights on Battery Cover
- Lighting Package 7: Two LED Strobes w/Guard + Four Roof Mounted Sweep Flashers
- AM/FM/CD With (2) Map Lights
- Right Hand Limb Guard
- Mirrors Heated and motorized
- Engine Pre-Cleaner

Sourcewell
Awarded Contract

One (1) Elgin Single Side Broom Pelican Sourcewell Price:	**$ 256,550.45**
Freight, Local PDI, and Training:	**$3,500.00**
Total Invoice Amount:	**$260,050.45**

Proposal date: 11/22/22
Sourcewell price is valid until 12/07/22.
Sourcewell Contract#: 093021-ELG

This proposal becomes a contract for delivery and payment of the merchandise listed above when signed by the customer or one of its officers.

Customer Name_____ PO# _____

By_____ Date_____
Jefferson City Sourcewell member number # 103420

Hunter Cannon
Territory Manager
Key Equipment & Supply Co.

If you have any questions, or would like additional information, please don't hesitate to contact me at (314) 614-6262 or hcannon@keyequipment.com.

CONSENT AGENDA STAFF REPORT

ITEM CONSIDERED: Item D

SUBJECT: Bid RFP2899 – Change Order – JeffTran Software with DoubleMap and Changing the name from DoubleMap to Transloc

DATE CONSIDERED: December 19, 2022

DEPARTMENT DIRECTOR(S): _____

CITY ADMINISTRATOR: _____

Staff recommends a change order to the contract with DoubleMap and also changing the name from DoubleMap to Transloc. The change order will extend the contract for one year and provide the Transit Division time to rebid this software. This software/service provides the real time location and estimated arrival times of the transit busses allowing patrons to make better use of the transit system.

FISCAL NOTE:

The estimated cost for the change order is $45,330. With $36,264.00 coming from purchase of equipment and $9,066.00 coming from Transit matching, Sales Tax F Fund.

PAST PERFORMANCE:

This vendor has satisfactorily performed services as requested as specified and bid during previous years and staff believes they will continue to do so.

FINANCE DEPARTMENT
PURCHASING DIVISION

SUBJECT: Bid RFP2899 – Change Order – JeffTran Software
Public Works, Transit Division, Opened March 21, 2017

RECOMMENDATION:

Staff recommends a change order to the contract with DoubleMap which was awarded under RFP2899 in 2017 for JeffTran software. This was a five-year contract and expired on December 4, 2022. This change order will extend the contract for one year and provide the Transit Division time to rebid this software. This change order also changes the name from DoubleMap to Transloc. The annual cost for the change order is consulting services is $45,330.00.

FISCAL NOTE:

Account Number	Description	FY 2023 Budget	Expended or Encumbered Amount	Bid Amount	Balance
63-630-572020	Purchase of Equipment, Transit Fund	$201,403.00	$111,067.75	$36,264.00	$54,071.25
44-990-590070	Transit Matching, Sales Tax F Fund	$111,357.10	$35,266.94	$9,066.00	$67,024.16
			Bid Total	**$45,330.00**	

ATTACHMENTS – SUPPORTING DOCUMENTATION

Signature: _____
Purchasing Agent 12/12/22

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Public Works - Transit Division
820 E Miller Street
JEFFERSON CITY, MISSOURI 65101

Change Order No. **One (1)** Project No. Date: 12/2/2022

Job & Location: **JeffTran Software**

Contractor: **TransLoc, Inc dba DoubleMap**

Account Number: **63-630-572020 ($36,264), 44-990-590070 ($9,066)**

It is hereby mutually agreed that when this change order has been signed by the contracting parties, the following described changes in the work required by the contract shall be executed by the contractor without changing the terms of the contract except as herein stipulated and agreed.

DESCRIPTION OF CHANGES: (See Attached Sheet for Detailed Description / Explanation)

Note: Item numbers prefixed with "EW" (Extra Work) are new line items to the contract.

Item No.	Description	Unit	Quantity in Original Contract	Quantity in Change Order	Revised Contract Quantity	Unit Price	Amount of Overrun or Underrun
1	Extend the original contract for one year (December 5, 2022 through December 4, 2023)	Lump		1		$45,330.00	$45,330.00
2	Contractor name is changed from DoubleMap to TransLoc, Inc.						

CONTRACTORS PROPOSAL FOR THE ABOVE DESCRIBED CHANGES:

I/We hereby agree to the modifications of the contract as described above and agree to furnish all materials and labor and perform all work in connection therewith in accordance with the requirements for similar work in existing contract except as otherwise stipulated herein, for the following considerations:

Contract Amount - Add To - or ~~Deduct from~~ - the Contract Amount **Forty-Five Thousand, Three Hundred and Thirty-Three Dollars ($45,330.00)**

Contract Time - Add To - or ~~Deduct from~~ - the Contract is 365 Calendar days

STATEMENT OF CONTRACT AMOUNT:

	Amount	% Change	Time
ORIGINAL CONTRACT	$318,245.86		
PREVIOUS APPROVED CHANGE ORDERS	$0.00	0.0%	0
TOTAL THIS CHANGE ORDER	$45,330.00	14.2%	0
TOTAL OF ALL CHANGE ORDERS	$45,330.00	14.2%	0
CONTRACT AMOUNT TO DATE	$363,575.86		

DocuSigned by: Ricki Antoine 5DB5B8E2B16B499... — Contractor (TransLoc Inc. dba DoubleMap) — Date: 12/9/2022

Recommended by: FOR — Public Works Director — Date: 12/12/22

Verification of Encumbrance: Shiela Pearce — Finance Director — Date: 12/12/2022

Accepted by: — Mayor — Date

Approved as to form: — City Counselor — Date: 12-12-2022

DocuSign Envelope ID: B05E2701-493D-4246-8A4D-F5811DFC51FA

EXHIBIT A: SCHEDULE OF SERVICES, SOFTWARE, AND EQUIPMENT

This Exhibit A incorporates the terms of the Technology License and Service Agreement between Company and City.

1. Fees and Costs:

TransLōc

Pricing Exhibit - Confidential

DATE: November 17, 2022
TO: Gerry Stegeman
City of Jefferson/JEFFTRAN
820 E Miller Street
Jefferson City, MI 65101
GStegman@jeffersoncitymo.gov

*Price remain firm for 60 days

Notes	Type	Item	Item Description	Qty	Unit Price (per year)	Capital	Subscription
			Fixed Route - CAD/AVL				
b.	**	S-106	Subscription - CAD_AVL (public)	22	$ 1,175.00		$ 25,850.00
		--	Application Program Interface (API) - JSON	1	Included		
			Fixed Route - Realtime Passenger Information System (RTPI)				
		--	Mobile Apps (iOS & Android)	1	Included		
		--	Web Apps (Desktop & Mobile Web)	1	Included		
			Fixed Route - DAPC (Canned Msg. Schedule Adherence)				
	**	S-111	Subscription - DAPC	12	$ 250.00		$ 3,000.00
			Fixed Route - Text Messaging				
		S-128	Subscription - Text Message (Fixed Route)	22	$ 250.00		$ 5,500.00
			Fixed Route - Automatic Passenger Counting (APC)				
	**	S-103	Subscription - APC	12	$ 300.00		$ 3,600.00
			Fixed Route - Automated Voice Annunciation (AVA) Indoor Sign				
	**	S-104	Subscription - AVA	12	$ 180.00		$ 2,160.00
			Fixed Route - Digital Signage Hardware - Headsigns Integration				
	**	S-124	Subscription - Signage Headsign	2	$ 180.00		$ 360.00
			Fixed Route - Digital Signage (Outdoor)				
	**	S-127	Subscription - Signage Outdoor	2	$ 180.00		$ 360.00
			Fixed Route - LCD Displays				
	**	S-126	Subscription - Signage Kiosk	1	$ 180.00		$ 180.00

Notes

a. Includes: all necessary cabling & hardware
b. Includes: Support, Server Hosting & Licensing
x Hardware invoiced upon shipment. Invoicing of remaining capital costs at the delivery of services.
** Subscription invoiced post go-live date

Billing Frequency:	--
Payment Terms:	Net 30
Quote Summary	
First Year Capital	$ -
First Year Subscription	$ 45,330.00
Total for First Year	**$ 45,330.00**
Total Capital	$ -
Total Subscription - 1 Years	$ 45,330.00
Total for Contract	**$ 45,330.00**

*All applicable sales/use tax are additional

2. Reinstallation or Additional Equipment Installation Fees:
If needed, Company will uninstall Equipment and Software from a vehicle and reinstall in a different vehicle, or install additional Equipment. There is an hourly labor fee per Equipment that is reinstalled or newly installed, reimbursed travel costs, and if new Equipment, Equipment fee as stated above. Only Company is authorized to uninstall, install, and/or reinstall Equipment.

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3. Spare Equipment:
   Spare Equipment is not included in the fees above. If desired, City can purchase spare Equipment to minimize downtime in the event that Equipment needs to be repaired or replaced.

4. New Customer Information Sheet:
   City must complete the New Customer Information sheet (EXHIBIT C) to facilitate invoicing and payment.

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EXHIBIT B: SCOPE OF WORK

TransLoc is continuing to offer the below items, which were previously implemented, within this contract.

CAD/AVL services (22 Vehicles)

- Admin dashboard
  - Unlimited users
  - Dispatching capabilities
    - Dispatcher/Driver/Auto-route
  - Add/remove vehicles
  - Route/Stop Creator
  - Announcements to be displayed to riders on public website/applications
    - Ability to communicate system information, detours, delays, etc. to riders in mobile app/browser website
  - Bus/Route History tool
  - Reports
    - Mileage
    - On-Time
    - Off-Route
    - DPC Passenger
    - APC Passenger
    - Route Travel Time
    - Route Change
    - Driver Login
    - Headway
    - GTFS
    - Bus Arrivals/Departures
    - Raw GPS Data
    - Validation Reports
    - System Status
  - Admin Alerts
    - Off route
    - Speeding
    - Route change
  - Add/manage wayside signs

- Mobile Application (Transloc)
  - Supported in Apple App and Google Play stores
  - Multimodal with fixed route and ondemand capabilities
  - Trip planning capabilities
  - Vehicle tracking and capacity
  - Display of agency alerts for routes
  - Route suggestion for riders
  - Stop details (schedule data and ETAs)
  - Favorite Stops

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    - Multi-language capabilities
        - English
        - Spanish

- AVL Hardware
    - GPS updates every 1-5 seconds
    - Getac
        - Docking station
        - Power cabling
            - Hardwire to vehicle power
            - Cigarette port power adapter
        - 6in post
            - Dash post
    - Cellular Data
        - DoubleMap to provide

- Installation
    - Devices already installed

SMS Text Messaging Alerts

- ETA Text Messaging
    - Phone number for riders to text

Kiosk Mode

- Auto-scroll map to display all routes, route names, bus locations, announcements and client branding
    - URL controlled by client

AVA (12 Vehicles)

- Stop by stop announcements
    - ADA compliance stop announcing
- Buses have existing PA systems/speakers
    - USB AVA utilizing buses existing PA system/speakers
        - AVA box
        - USB to USB cable
- Route/Stop edit abilities
    - Manage what stops are announced
    - Private stops for advertising
- Geofence editing
    - Based on a particular stops location, geofence can be managed to better suit a specific need like a stop that could have drivers passing through at a fast pace
- Installation
    - Devices already installed

On-Board Next Stop Signs (12 Vehicles)

- Visual next stop announcements

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- Route/Stop edit abilities
  - Manage what stops are announced
  - Private stops for advertisements
- Geofence editing
  - Based on a particular stops location, geofence can be managed to better suit a specific need like a stop that could have drivers passing through at a fast pace
- Hardware
  - Adaptive Micro Systems
    - Amber
- Installation
  - Devices already installed

Automated Passenger Counting (APC) (12 Vehicles)

- APC Hardware
  - Dilax
- APC Reporting
  - Route
  - Stop
  - Type
  - Type and Route
  - Type and Stop
  - Bus and Type
  - Bus and Stop
  - Trip
  - Bus
- Integration cables
- Installation
  - Devices already installed

Digital Passenger Counting (DPC) (12 Vehicles)

- Tablet counting
  - Customized passenger types (limit to 18)
- DPC Reporting
  - Route
  - Stop
  - Type
  - Type and Route
  - Type and Stop
  - Bus and Type
  - Bus and Stop
  - Trip
  - Bus

Headsigns (12 Vehicles)

- Integration into existing headsigns
  - Luminator

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        - OCU
- Single sign on capabilities
    - Select route on tablet will change route on headsign
- Integration cables
- Installation
    - Devices already installed

Wayside Signs (2 Signs)

- Daktronics Signs
    - Model Number
        - DoubleMap providing
        - Number of lines to display text: 2
        - Ethernet connection
- Devices already installed

CONSENT AGENDA STAFF REPORT

ITEM CONSIDERED: Item E

SUBJECT: Declares Certain City-owned Personal Property Surplus and Authorizes the Disposition by Sale through Auction (GovDeals)

DATE CONSIDERED: December 19, 2022

DEPARTMENT DIRECTOR(S):

CITY ADMINISTRATOR:

Approval of this consent agenda item is to declare an OTC engine cherry picker, model 1813 belonging to Public Works – Central Maintenance as surplus. The equipment will be sold via online auction - GovDeals. The estimated value is $5,000.







CONSENT AGENDA STAFF REPORT

ITEM CONSIDERED: Item F

SUBJECT: Approve the Use of a Sourcewell Contract with Kubota via Cooperative Procurement

DATE CONSDIERED: December 19, 20222

DEPARTMENT DIRECTOR(S): _____

CITY ADMINISTRATOR: _____

Staff recommends utilizing the contract with Kubota procured by Sourcewell, Contract # 031121 to lease M7060 HD utility tractor.

Approval of this consent agenda item would allow the Parks Department to Lease from Kubota utilizing the contract procured by Sourcewell.

FINANCE DEPARTMENT
PURCHASING DIVISION

SUBJECT: Cooperative Procurement – Sourcewell, Contract 031121 - KBA
Parks Department – Opened by Sourcewell, MN March 11, 2021

RECOMMENDATION:

Staff requests approval to utilize the Sourcewell contract, 031121 - KBA, with Kubota Tractor Corporation of Elgin, Illinois for the purchase of a Kubota SVL97-HFC track-loader, brush cutter, and M7060HD Utility Rops tractor. The approval for usage of this contract will also be applied to future purchases from all departments within the City. This contract has been reviewed by Purchasing and it has gone through a competitive procurement process similar to the City's. This contract allows for cooperative procurement from other governmental entities. This contract allows for a 22% discount. This contract is a national contract and uses Crown Power and Equipment as its vendor to service Missouri.

The contract was competitively bid by Sourcewell which is a State of Minnesota local government unity and service cooperative and follows a competitive procurement process similar to the City's. The Sourcewell contract was competitively bid and vendors were evaluated and ranked. Kubota was ranked 6 out of 42.

ATTACHMENTS – SUPPORTING DOCUMENTATION

Signature: Leah A Corrigan
Purchasing Agent 12/12/22

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Proposal Evaluation
Grounds Maintenance Equipment, Attachments, and Accessories with Related Services RFP #031121

	Possible Points	Aebi Schmidt North America	Altos, Inc	Ariens Company	Bandit Industries, Inc.	BCS America, LLC	Blue Diamond Attachments	Bonnell Industries Inc.	BUCEPHALUS BUYER, LLC	C & S Manufacturing	Clark Equipment Company	Crary Bear Cat	Deere & Company	DuCo, LLC	Embankscape Equipment LLC	Exmark Mfg. Co., Inc.	Ferri	Generac Power Systems	Green Climber of North America	GRYB USA	H. Barber & Sons, Inc.	Husqvarna Professional Products, Inc.
Conformance to Terms/ Conditions to Include Documentation	50	43	39	43	42	36	42	41	37	39	44	43	41	45	41	41	36	43	41	35	42	43
Pricing	400	324	328	331	314	240	323	325	304	271	346	328	329	328	316	323	311	329	283	272	335	329
Financial, Industry and Marketplace Successes	75	65	54	65	62	55	63	63	62	60	69	65	71	69	61	57	56	63	61	53	64	67
Bidder's Ability to Sell/ Service Contract Nationally	100	84	66	86	78	75	83	71	83	70	88	83	87	85	74	81	65	86	72	68	73	83
Bidder's Marketing Plan	50	43	38	43	37	35	40	41	38	32	43	44	43	46	40	42	36	42	38	35	43	44
Value Added Attributes	75	60	59	64	54	53	55	63	52	56	68	61	65	67	58	67	50	65	62	49	63	67
Warranty Coverages and Information	50	44	41	43	42	37	39	38	41	34	43	43	43	43	46	41	38	41	40	40	42	42
Selection and Variety of Products and Services Offered	200	153	145	164	150	146	153	144	164	134	172	148	175	157	139	174	138	152	139	134	146	174
Total Points	1,000	814	766	835	779	677	798	787	781	696	873	815	854	840	775	826	730	841	742	686	808	849
Rank (Optional)		23	36	21	28	62	26	30	33	66	11	24	16	17	35	19	54	15	39	63	27	10

	Possible Points	Hustler Turf Equipment,Inc	Kärcher Municipal North America Corp.	Kubota Tractor Corporation	Land Pride, A Division of Great Plains Mfg, Inc.	Max Distributing / BCS America	Moridge Manufacturing, Inc.	MTD Products	RhinoAg, Inc.	Scag Power Equipment	Schiller Grounds Care	Smithco, Inc	Stonebrooke Equipment, Inc.	Switch-N-Go, LLC	The Toro Company	Tobroco Machinery LLC	Trackless Vehicles Ltd.	TURFCO Manufacturing	VENTURE PRODUCTS INC.	Walker Manufacturing Company	Wiedenmann North America, LLC	Woods Equipment Company
Conformance to Terms/ Conditions to Include Documentation	50	42	42	43	43	40	41	43	39	43	39	42	42	42	42	41	42	40	41	41	41	40
Pricing	400	353	319	330	335	323	320	337	313	335	290	322	317	297	346	328	308	300	320	315	317	339
Financial, Industry and Marketplace Successes	75	64	62	68	65	59	61	66	63	65	59	63	60	62	65	62	63	62	64	63	63	64
Bidder's Ability to Sell/ Service Contract Nationally	100	82	79	81	86	72	77	87	82	85	75	79	71	73	86	75	79	74	82	79	76	85
Bidder's Marketing Plan	50	43	41	43	42	39	38	42	39	42	42	40	37	37	43	42	41	42	43	42	41	45
Value Added Attributes	75	61	61	67	55	55	59	61	56	63	52	58	53	53	67	55	58	58	56	60	59	56
Warranty Coverages and Information	50	43	44	39	41	43	41	44	43	43	36	43	42	40	38	39	43	44	41	40	42	43
Selection and Variety of Products and Services Offered	200	165	161	168	162	127	154	160	163	156	152	149	128	130	175	146	140	142	149	158	147	164
Total Points	1,000	853	809	847	829	758	791	840	798	836	745	796	749	734	862	788	775	762	796	798	786	836
Rank (Optional)		13	37	22	31	64	40	18	29	14	57	34	52	60	9	25	44	48	32	27	45	12

DocuSigned by:
Kim Austin
6830543C5838401...
Kim Austin, MBA, CPPB, Procurement Lead Analyst

DocuSigned by:
Bill Davison
6786145E97034BA...
Bill Davison, CPPO, NIGP-CPP, Procurement Analyst

DocuSigned by:
Beverly Hoemberg
363D4C13F1E94C7...
Beverly Hoemberg, Procurement Analyst

DocuSigned by:
Duff Erholtz
AEAA4AE734F84D0...
Duff Erholtz, Procurement Analyst

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Sourcewell

Solicitation Number: RFP #031121

CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Kubota Tractor Corporation, 1000 Kubota Drive, Grapevine, TX 76051 (Vendor).

Sourcewell is a State of Minnesota local government agency and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Grounds Maintenance Equipment, Attachments, and Accessories with Related Services from which Vendor was awarded a contract.

Vendor desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

A. EFFECTIVE DATE. This Contract is effective upon the date of the final signature below.

B. EXPIRATION DATE AND EXTENSION. This Contract expires April 30, 2025, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended up to one additional one-year period upon request of Sourcewell and with written agreement by Vendor.

C. SURVIVAL OF TERMS. Articles 11 through 14 survive the expiration or cancellation of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

A. EQUIPMENT, PRODUCTS, OR SERVICES. Vendor will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Vendor's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

Equipment Type	Model	Series	Discount
Tractors	Tractors	B	22%
Tractors	Tractors	BX	22%
Tractors	Tractors	L	22%
Tractors	Tractors	LX	22%
Tractors	Tractors	M	22%
Tractors	Tractors	MX	22%
Turf	Residential/Commercial Mower	F	22%
Turf	Residential/Commercial Mower	GR	22%
Turf	Residential/Commercial Mower	T	22%
Turf	Residential/Commercial Mower	Z	22%
Turf	Residential/Commercial Mower	SZ	22%
Turf	Residential/Commercial Mower	W	22%
Turf	Residential/Commercial Mower	ZG	22%
Turf	Residential/Commercial Mower	ZD	22%
Tractor/Loader/Backhoe	Tractor/Loader/Backhoe	TLB	22%
Land Management	Disc Mowers	DM	22%
Land Management	Rotary Tedders	TE	22%
Land Management	Rotary Rakes	RA	22%
Land Management	Spreaders	VS	22%

CONSENT AGENDA STAFF REPORT

ITEM CONSIDERED: Item G

SUBJECT: Authorize Change Order #1 with Mid-Missouri Earth Movers, for Demolition of the Dangerous Structure Located at 114 Jackson Street

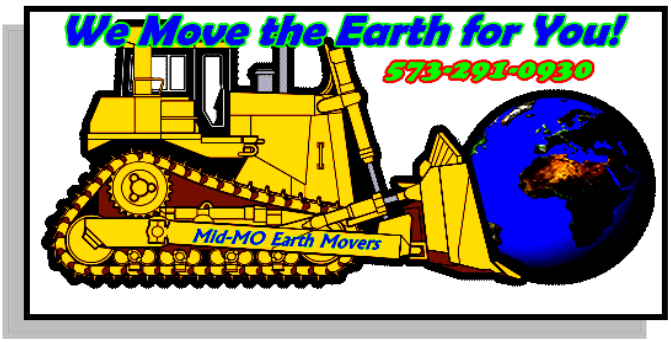
DATE CONSIDERED: December 19, 2022

DEPARTMENT DIRECTOR(S):

CITY ADMINISTRATOR:

Staff requests approval of this contract change order, which will allow Mid-Missouri Earth Movers to demolish the dangerous structure located at 114 Jackson St. The building is deteriorated and unsafe and received zero interest from "request for interested parties". All State Consultants while conducting a structural review of the property estimated the cost to repair to be approximately $349,678.52.

This change order is being proposed to be added to the contract held by Mid-Missouri Earth Movers for the Capitol Ave. Dangerous Building Demolitions project which has a current value of $193,935. The cost of this change order will be $25,372 which results in a 13.08% change from the current contract value. Funding for the demolition will come from Capital Ave Demos and Acquisitions Account 10-185-550095.



4611 Tanner Bridge Road Jefferson City, MO 65101
dumptruckdriver1@yahoo.com

December 13, 2022

Mr. Dave Helmick
Housing/Property Supervisor
City of Jefferson
320 E McCarty Street
Jefferson City, MO 65101

Dear Dave,

Thank you for the opportunity to provide a demolition bid for the property located at 114 Jackson St., JCMO. Our bid amount for this demo is: $25,372.00

Please let me know if you have any questions or concerns. I can be reached at 573-291-0930.

Sincerely,
Rena Kuster

https://www.midmissouriearthmovers.com/

City of Jefferson
320 E McCarty Street
Jefferson City, Missouri 65101

Change Order No. **One (1)** Project No. 12/15/2022

Job & Location: **Demolition of 114 Jackson Street**

Contractor: **Mid Missouri Earth Movers**

It is hereby mutually agreed that when this change order has been signed by the contracting parties, the following described changes in the work required by the contract shall be executed by the contractor without changing the terms of the contract except as herein stipulated and agreed.

DESCRIPTION OF CHANGES: Additional Demoltion of Structure

Note: Item numbers prefixed with "EW" (Extra Work) are new line items to the contract.

Item No.	Description	Unit	Quantity in Original Contract	Quantity in Change Order	Revised Contract Quantity	Unit Price	Amount of Overrun or Underrun
1	Demolition of structure located at 114 Jackson Street					$25,372.00	

CONTRACTORS PROPOSAL FOR THE ABOVE DESCRIBED CHANGES:

I/We hereby agree to the modifications of the contract as described above and agree to furnish all materials and labor and perform all work in connection therewith in accordance with the requirements for similar work in existing contract except as otherwise stipulated herein, for the following considerations:

Contract Amount - Add To - or ~~Deduct from~~ - the Contract Amount $25,372.00 **(Twenty FiveThousand and Three Hundred Seventy Two Dollars)**

STATEMENT OF CONTRACT AMOUNT:

	Amount	% Change	Time
ORIGINAL CONTRACT	$193,953.00		
PREVIOUS APPROVED CHANGE ORDERS	$0.00	0.0%	0
TOTAL THIS CHANGE ORDER	$25,372.00	13.1%	0
TOTAL OF ALL CHANGE ORDERS	$25,372.00	13.1%	0
CONTRACT AMOUNT TO DATE	$219,325.00		

Contractor — Date

Recommended by:
Planning and Protective Services Director — Date

Verification of Encumbrance:
Finance Director — Date

Accepted by:
City Administrator — Date

Approved as to Form:
Ryan Moehlman, City Counselor — Date

BILL SUMMARY

BILL NO: 2022-086

SPONSOR: Councilmember Schreiber

SUBJECT: Authorizing a Supplemental Appropriation to the Jefferson City Police Department Amending the 2022-2023 Annual Budget, and Authorizing $29,750 Expenditure of Drug Forfeiture Justice Funds for the Purchase of International Association of Chiefs of Police (IACP) Corporation Promotional Assessment Services

DATE INTRODUCED: December 19, 2022

DEPARTMENT DIRECTOR(S): _____

CITY ADMINISTRATOR: _____

Staff Recommendation: Approve.

Summary: This bill would authorize a supplemental appropriation to the 2022-2023 Police Department general operating budget and authorize the expenditure of Drug Forfeiture Justice Funds for the purchase of a contract with IACP to assist in the promotional process of captains, lieutenants and sergeants.

Origin of Request: Police Department

Department Responsible: Police Department

PERSON RESPONSIBLE: ERIC WILDE, Chief of Police

Background Information: The Jefferson City Police Department would like to purchase a contract with IACP to conduct a promotional process for captains, lieutenants and sergeants for $29,750.00. IACP helps identify highly qualified leaders whose management style and knowledge of law enforcement are consistent with the priorities of the Jefferson City Police Department. IACP members consist of chiefs of police and other law enforcement personnel of various ranks, criminal justice researchers, university faculty, and members of many other professions. They will develop a promotional exam and provide assessment services for the ranks of sergeant, lieutenant, and captain.

The department recommends utilizing the Drug Forfeiture Funds from the Justice Reserve Account to purchase a contract with IACP to conduct a promotional process for captains, lieutenants and sergeants at the Police Department. This account generates funds following the Law Enforcement seizure of money and/or property considered to be

proceeds of illicit drug activity. Following the established federal judicial process, the court orders the proceeds forfeited and place the money or equipment into the ownership of the law enforcement agency or agencies which initiated the forfeiture proceedings. These funds must be expended for strictly defined law enforcement purposes. Approval authorizes the supplemental appropriation. The department will ensure City procurement regulations are followed.

FISCAL INFORMATION: Authorize the expenditure of $29,750.00 from the Drug Forfeiture Justice Account.

BILL NO. 2022-086

SPONSORED BY Councilmember Schreiber

ORDINANCE NO._____

AN ORDINANCE OF THE CITY OF JEFFERSON, MISSOURI, AUTHORIZING A SUPPLEMENTAL APPROPRIATION TO THE JEFFERSON CITY POLICE DEPARTMENT AMENDING THE 2022-2023 ANNUAL BUDGET AND AUTHORIZING THE EXPENDITURE OF SUCH FUNDS, AND AWARDING A CONTRACT TO INTERNATIONAL ASSOCIATION OF CHIEFS OF POLICE FOR PROMOTIONAL ASSESSMENT SERVICES.

BE IT ENACTED BY THE COUNCIL OF THE CITY OF JEFFERSON, MISSOURI, AS FOLLOWS:

Section 1. There is hereby granted a supplemental appropriation within the Jefferson City Police Department Budget in the amount of 29,750.00 as outlined in Exhibit A.

Section 2. The Jefferson City Police Department is authorized to utilize this money for the purchase of IACP corporation promotional services using Drug Forfeiture Justice Funds.

Section 3. This agreement with IACP shall be substantially the same in form and content as Exhibit B attached hereto.

Section 4. This Ordinance shall be in full force and effect from and after the date of its passage and approval.

Passed:_____ Approved:_____

_____ _____

Presiding Officer Mayor Carrie Tergin

ATTEST: APPROVED AS TO FORM:

_____ _____

City Clerk City Attorney

CERTIFICATION BY MAYOR

Pursuant to Article VII, Section 7.1(5.) Of the Charter of the City of Jefferson, Missouri, I hereby certify that the sums appropriated in the ordinance are available in the various funds to meet the requirements of this bill.

_____

Mayor Carrie Tergin

Bill 2022-086
Exhibit A

SUPPLEMENTAL APPROPRIATION
FISCAL YEAR 2022-2023 BUDGET

General Fund:

Revenue

10-100-495995 Transfer From (to) Surplus[1]	$ 29,750.00	

Expenditure

10-300-522026 Drug Forfeiture - Justice		$ 29,750.00

[1]The Reserve for Drug Forfeiture - Justice account, which is part of the City's restricted fund balance, had a balance of $61,773.58 at the end of the fiscal year 2022.

FINANCE DEPARTMENT
PURCHASING DIVISION

SUBJECT: Bid IFB4078 – Police Promotional Assessments
Police Department, Opened November 17, 2022

RECOMMENDATION:

Staff recommends the award of bid IFB4078 to the International Association of Chiefs of Police of Alexandria, Virginia for promotional assessment services. Bids were solicited twice. The first round of proposals exceeded the Police Department's budgeted amount. Only one proposal was received during the second round. This proposal was evaluated and deemed to be a satisfactory bid meeting all the requirements. The cost for the promotional assessment services is $29,750.

BIDS RECEIVED:

	Bid Amount
IACP, Alexandria, VA	$29,750

This bid was advertised in the News Tribune on 10/12/2022 and posted on Bonfire. Bid notifications were sent to 243 vendors of which 8 were recommended vendors.

FISCAL NOTE:

Account Number	Description	FY 2023 Budget	Expended or Encumbered Amount	Bid Amount	Balance
10-300-522026	Drug Forfeiture - Justice, General Funds	$0*	$0	$29,750.00	$0
			Bid Total	**$29,750.00**	

*Funds will be appropriated to this account upon approval of the supplemental appropriation request.

ATTACHMENTS – SUPPORTING DOCUMENTATION

Signature: _____
Purchasing Agent 12/1/22

EXHIBIT B

CITY OF JEFFERSON
CONTRACT FOR PROFESSIONAL SERVICES

THIS CONTRACT, made and entered into the date last executed by a party as indicated below, by and between the City of Jefferson, a municipal corporation of the State of Missouri, by and through its Police Department, hereinafter referred to as "City", and International Association of Chiefs of Police hereinafter referred to as "Contractor".

WITNESSETH:

THAT WHEREAS, the City desires to engage the Contractor to render certain services for the Promotional Exam & Assessment Services for the Police Department, hereinafter described in Exhibit A.

WHEREAS, Contractor has made certain representations and statements to the City with respect to the provision of such services and the City has accepted said proposal to enter into a contract with the Contractor for the performance of services by the Contractor.

NOW THEREFORE, for the considerations herein expressed, it is agreed by and between the City and the Contractor as follows:

1. Scope of Services.
Contractor agrees to provide all supervision, labor, tools, equipment, materials and supplies for the Promotional Exam and Assessment Services, as set forth in Exhibit A. In the event of a conflict between this agreement and any attached exhibits, the provisions of this agreement shall govern and prevail.

2. Payment.
The City hereby agrees to pay Contractor for the work done pursuant to this contract according to the payment schedule set forth in the contract documents upon acceptance of said work by an Agent of the City of Jefferson's Police Department, and in accordance with the rates and/or amounts stated in the bid of Contractor dated 11/16/2022 which are by reference made a part hereof. No partial payment to Contractor shall operate as approval or acceptance of work done or materials furnished hereunder. No change in compensation shall be made unless there is a substantial and significant difference between the work originally contemplated by this agreement and the work actually required. The total amount for services rendered under this contract shall not exceed Twenty-Nine Thousand Seven Hundred Fifty Dollars and Zero Cents. ($29,750.00)

3. Term.
This contract shall commence on the date last executed by a party as indicated below. The Contractor shall perform said work within one (1) year, from December 1, 2022 to November 30, 2023, in accordance with the contract documents as set forth in Exhibit A.

4. Additional Services.
The City may add to Contractor services or delete therefrom activities of a similar nature to those set forth in Exhibit A, provided that the total cost of such work does not exceed the total cost allowance as specified in paragraph 2 hereof. The Contractor shall undertake such changed activities only upon the direction of the City. All such directives and changes shall be in written form and approved by the City and shall be accepted and countersigned by the Contractor or its agreed representatives.

5. Personnel to be Provided.
The Contractor represents that Contractor has or will secure at its expense all personnel required to perform the services called for under this contract by the Contractor. Such personnel shall not be employees of or

have any contractual relationship with the City except as employees of the Contractor. All of the services required hereunder will be performed by the Contractor or under the Contractor's direct supervision and all personnel engaged in the work shall be fully qualified and shall be authorized under state and local law to perform such services. None of the work or services covered by this contract shall be subcontracted except as provided in Exhibit A without the written approval of the City.

6. Contractor's Responsibility for Subcontractors.

It is further agreed that Contractor shall be as fully responsible to the City for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them, as Contractor is for the acts and omissions of persons it directly employs. Contractor shall cause appropriate provisions to be inserted in all subcontracts relating to this work, to bind all subcontractors to Contractor by all the terms herein set forth, insofar as applicable to the work of subcontractors and to give Contractor the same power regarding termination of any subcontract as the City may exercise over Contractor under any provisions of this contract. Nothing contained in this contract shall create any contractual relations between any subcontractor and the City or between any subcontractors.

7. Independent Contractor.

The Contractor is an independent contractor and nothing herein shall constitute or designate the Contractor or any of its employees as agents or employees of the City.

8. Benefits not Available.

The Contractor shall not be entitled to any of the benefits established for the employees of the City and shall not be covered by the Workmen's Compensation Program of the City.

9. Nondiscrimination.

The Contractor agrees in the performance of the contract not to discriminate on the grounds or because of race, creed, color, national origin or ancestry, sex, religion, handicap, age or political affiliation, against any employee of Contractor or applicant for employment and shall include a similar provision in all subcontracts let or awarded hereunder.

10. Illegal Immigration.

Prior to commencement of the work:

a. 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 contracted services.

b. Contractor shall sign an affidavit affirming that it does not knowingly employ any person who is an unauthorized alien in connection with the contracted services.

c. If Contractor is a sole proprietorship, partnership, or limited partnership, Contractor shall provide proof of citizenship or lawful presence of the owner.

11. Notice to Proceed.

The services of the Contractor shall commence upon execution of this Agreement, and shall be undertaken and completed in accordance with the schedule contained in Exhibit A.

12. Termination.

If, through any cause, the Contractor shall fail to fulfill in timely and proper manner its obligations under this contract, or if the Contractor shall violate any of the covenants, agreements, or stipulations of this contract, the City shall thereupon have the right to terminate this contract by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five (5) days before the

effective day of such termination. The City reserves the right to terminate this contract for convenience by giving at least fourteen (14) days prior written notice to Contractor, without prejudice to any other rights or remedies of the City, provide Contractor shall be entitled to payment for all work completed by Contractor through the date of termination. The Contractor may with cause terminate this contract upon 30 days prior written notice. In either such event all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports or other materials prepared by the Contractor under this contract shall, at the option of the City, become its property, and the compensation for any satisfactory work completed on such documents and other materials shall be determined. Notwithstanding the above, the Contractor shall not be relieved of liability to the City for damages sustained by the City by virtue of any such breach of contract by the Contractor.

13. Waiver of Breach.

Failure to insist upon strict compliance with any of the terms covenants or conditions herein shall not be deemed a waiver of any such terms, covenants or conditions, nor shall any failure at one or more times be deemed a waiver or relinquishment at any other time or times by any right under the terms, covenants or conditions herein.

14. Authorship and Enforcement.

Parties agree that the production of this document was the joint effort of both parties and that the contract should not be construed as having been drafted by either party. In the event that the City successfully enforces the terms of this contract through litigation, the City shall be entitled to receive, in addition to any other relief, its reasonable attorney's fees, expenses and costs.

15. Severability.

If any section, subsection, sentence, or clause of this contract shall be adjudged illegal, invalid, or unenforceable, such illegality, invalidity, or unenforceability shall not affect the legality, validity, or enforceability of the contract as a whole, or of any section, subsection, sentence, clause, or attachment not so adjudged.

16. Assignment.

The Contractor shall not assign any interest in this contract, and shall not transfer any interest in the same (whether by assignment or novation), without prior written consent of the City thereto. Any such assignment is expressly subject to all rights and remedies of the City under this agreement, including the right to change or delete activities from the contract or to terminate the same as provided herein, and no such assignment shall require the City to give any notice to any such assignee of any actions which the City may take under this agreement, though City will attempt to so notify any such assignee.

17. Existing Data.

All information, data and reports as are existing, available and necessary for the carrying out of the work, shall be furnished to the Contractor without charge by the City, and the City shall cooperate with the Contractor in every reasonable way in carrying out the scope of services. The Contractor shall not be liable for the accuracy of the information furnished by the City.

18. Confidentiality.

Any reports, data or similar information given to or prepared or assembled by the Contractor under this contract which the City requests to be kept as confidential shall not be made available to any individual or organization by the Contractor without prior written approval of the City.

19. Indemnity.

To the fullest extent permitted by law, the Contractor will defend, indemnify and hold harmless the City, its elected and appointed officials, employees, and agents from and against any and all claims, damages, losses, and expenses including attorneys' fees arising out of or resulting from the performance of the work, provided that any such claim, damage, loss or expense (1) is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the work itself) including the loss of use resulting therefrom and (2) is caused in whole or in part by any negligent act or omission of contractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this paragraph.

20. Insurance.

Contractor shall provide, at its sole expense, and maintain during the term of this agreement commercial general liability insurance with a reputable, qualified, and financially sound company licensed to do business in the State of Missouri, and unless otherwise approved by the City, with a rating by Best of not less than "A," that shall protect the Contractor, the City, and the City's officials, officers, and employees from claims which may arise from operations under this agreement, whether such operations are by the Contractor, its officers, directors, employees and agents, or any subcontractors of Contractor. This liability insurance shall include, but shall not be limited to, protection against claims arising from bodily and personal injury and damage to property, resulting from all Contractor operations, products, services or use of automobiles, or construction equipment at a limit of $500,000 Each Occurrence, $3,000,000 Annual Aggregate; provided that nothing herein shall be deemed a waiver of the City's sovereign immunity. An endorsement shall be provided which states that the City is named as an additional insured and stating that the policy shall not be cancelled or materially modified so as to be out of compliance with the requirements of this section, or not renewed without 30 days advance written notice of such event being given to the City.

21. Documents.

Reproducible copies of tracings and maps prepared or obtained under the terms of this contract shall be delivered upon request to and become the property of the City upon termination or completion of work. Copies of basic survey notes and sketches, charts, computations and other data prepared or obtained under this contract shall be made available, upon request, to the City without restrictions or limitations on their use. When such copies are requested, the City agrees to pay the Contractor its costs of copying and delivering same.

22. Books and Records.

The Contractor and all subcontractors shall maintain all books, documents, papers, accounting records and other evidence pertaining to costs incurred in connection with this contract, and shall make such materials available at their respective offices at all reasonable times during the contract and for a period of three (3) years following completion of the contract.

23. Nonsolicitation.

The Contractor warrants that they have not employed or retained any company or person, other than a bona fide employee working solely for the Contractor, to solicit or secure this contract, and that they have not paid or agreed to pay any company or person, other than a bona fide employee working solely for the Contractor, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this contract. For breach or violation of this warranty, the City shall have the right to annul this contract without liability, or, in its discretion, to deduct from the contract price or consideration, or otherwise recover the full amount of such fee, commission, percentage,

brokerage fee, gifts, or contingent fee.

24. Delays.
That the Contractor shall not be liable for delays resulting from causes beyond the reasonable control of the Contractor; that the Contractor has made no warranties, expressed or implied, which are not expressly set forth in this contract; and that under no circumstances will the Contractor be liable for indirect or consequential damages.

25. Amendments.
This contract may not be modified, changed or altered by any oral promise or statement by whosoever made; nor shall any modification of it be binding upon the City until such written modification shall have been approved in writing by an authorized officer of the City. Contractor acknowledges that the City may not be responsible for paying for changes or modifications that were not properly authorized.

26. Governing Law.
The contract shall be governed by the laws of the State of Missouri. The courts of the State of Missouri shall have jurisdiction over any dispute which arises under this contract, and each of the parties shall submit and hereby consents to such courts exercise of jurisdiction. In any successful action by the City to enforce this contract, the City shall be entitled to recover its attorney's fees and expenses incurred in such action.

27. Notices.
All notices required or permitted hereinunder and required to be in writing may be given by first class mail addressed to the following addresses. The date and delivery of any notice shall be the date falling on the second full day after the day of its mailing.

If to the City:
City of Jefferson
Department of Law
320 East McCarty Street
Jefferson City, Missouri, 65101

If to the Contractor:
International Association of Chiefs of Police
Meghann Casanova
44 Canal Center Plaza, Ste 200
Alexandria, VA 22314

[Signatures to Follow on Next Page]

CITY OF JEFFERSON, MISSOURI

_____
Mayor
Date: _____

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____
City Attorney

INTERNATIONAL ASSOCIATION OF CHEIFS OF POLICE

_____
Title:
Date: _____

ATTEST:

_____
Title:

EXHIBIT A

IACP
International Association of Chiefs of Police

44 Canal Center Plaza, Suite 200 | Alexandria, VA 22314, USA | 703.836.6767 or 1.800.THEIACP | www.theIACP.org

November 16, 2023

Leigh Ann Corrigan
Office of the Purchasing Agent
City of Jefferson
320 E McCarty St
Jefferson City, MO 65101

Dear Ms. Corrigan,

Thank you for the opportunity to submit a proposal in response to request for proposal for police promotional assessment services for Captain, Lieutenant, and Sergeant positions.. This letter serves to attest to our interest in the proposal and the accuracy of the information contained herein.

The International Association of Chiefs of Police (IACP) is a recognized global leader in policing, committed to advancing safer communities through thoughtful, progressive police leadership. The IACP is proposing a process to identify highly qualified leaders whose management style and knowledge of law enforcement are consistent with the priorities of your department. The IACP will conduct a job analysis for each of the ranks being tested and develop a written exam and assessment center exercises specifically for the Jefferson City Police Department.

Sincerely,

Meghann Casanova
Senior Program Manager
International Association of Chiefs of Police

IACP
International Association of Chiefs of Police

Exam and Assessment Services

Jefferson City Police Department, MO

Contact information for the
International Association of Chiefs of Police

Meghann Casanova
44 Canal Center Plaza, Suite 200
Alexandria, VA 22314
casanova@theIACP.org | professionalservices@theIACP.org
(703) 647-6819 (direct line) | (800) THE IACP

Contents

Association (Firm) Information 1
International Association of Chiefs of Police (IACP) 1
Contact Information 2
Assessment Services 3
Optional Remote Delivery of Services 3
Job Analysis 3
Written Exam 2
Assessment Center Development 3
Assessment Center Administration 4
Assessment Center Results and Documentation 5
Project Timeline 6
Additional Forms 7

Association (Firm) Information

International Association of Chiefs of Police (IACP)

International Association of Chiefs of Police
44 Canal Center Plaza, Suite 200
Alexandria, VA 22314
(703) 836-6767 or 1-800-THE-IACP
www.theiacp.org

The International Association of Chiefs of Police (IACP) is the world's largest and most influential professional association for police leaders. With more than 31,000 members in over 165 countries, the IACP is a recognized global leader in policing. Since 1893, the association has been advancing leadership and professionalism in policing worldwide.

IACP is a 501(c) 3 non-profit corporation chartered in the District of Columbia (1943) and headquartered in Alexandria, Virginia. It has a full-time staff of 130 employees. In addition to chiefs of police and law enforcement personnel of other ranks, IACP members include criminal justice researchers, university faculty, and members of many other professions. IACP promotes the highest standards of performance and conduct within the police profession.

The IACP differs from private firms that offer assessment services. We are motivated by our commitment to improving the law enforcement profession. Assisting law enforcement agencies in the promotion of this leadership helps us attain that goal. The IACP helps agencies identify highly qualified leaders whose management style and knowledge of law enforcement are consistent with the priorities of your department. The key components and benefits of engaging the services of IACP include:

- **Credibility.** IACP commands preeminent status among police executive associations. This confers special prestige and credibility to these studies. Government officials, the public, and law enforcement officers and officials highly respect and value the findings and recommendations of IACP.
- **Exclusive Focus.** IACP concentrates its efforts exclusively on law enforcement matters. IACP does not diffuse its interests and capacities. The obligation of IACP is to law enforcement innovation and professionalism, and this is a driving force in these efforts.
- **Performance Record.** The range of engagements conducted by IACP, and the number of repeat clients, attest to the product value and client satisfaction. IACP has worked with law enforcement clients of every conceivable size, structure, and mission, and the IACP team is equipped to deal with any issue or circumstance affecting your organization and community.
- **Resource Depth.** IACP headquarters staff comprises nearly 130 former police executives and practitioners, social scientists, technology specialists, management analysts, and

trainers, who possess collectively, 21st century policing capacities in every facet of law enforcement policy and practice. Augmented by a national and international network of consultants and committee members, IACP staff and resources are unsurpassed in-depth and quality.

- **Innovations Leadership.** Developing and discovering contemporary approaches and innovations to stimulate law enforcement effectiveness and productivity and protect communities is central to the IACP mission. IACP continually assesses the needs of the law enforcement profession and the public served, and the IACP consciously and continuously expands the portfolio of staff and expertise accordingly, allowing IACP to provide the most up-to-date and comprehensive services to clients.

Contact Information

Meghann Casanova
Senior Program Manager
International Association of Chiefs of Police
44 Canal Center Plaza, Suite 200, Alexandria, VA 22314
Direct 703-647-6819 | Email kelley@theIACP.org

Steven Izaguirre
Project Coordinator
International Association of Chiefs of Police
44 Canal Center Plaza, Suite 200, Alexandria, VA 22314
Direct 703-647-7209| Email izaguirre@theIACP.org

Assessment Services

The IACP will develop for the Jefferson City Police Department promotional exam (optional) with an assessment center for the ranks of sergeant, lieutenant, and captain.

The procedures described below outline the IACP approaches to the promotional assessment process. The written exam is comprised of 100 multiple choice questions sourced from internal and external reading materials decided on by the agency in coordination with IACP. In the assessment center, candidates participate in a series of exercises that simulate critical aspects of the target job. The assessment center candidates will participate in up to three exercises. Trained assessors observe each candidate's performance and evaluate the candidates' behavior on predefined dimensions that relate to success on the job.

Optional Remote Delivery of Services

The IACP can conduct all interviews, meetings, and assessments remotely. The IACP is well versed in utilizing internal video conferencing platforms to host direct communication with the Jefferson City Police Department, their candidates, and the assessors.

IACP can utilize a digital meetings platform to administer the assessment center. Two weeks prior to the administration of the training, a technology test will be held where the department and the assessors will be able to try out the platform to ensure their setup is adequate.

System Requirements:

- Broadband internet
- Webcam (for video), microphone, and speaker
- Windows: 1 GHz or better processor. Windows 7 or later
- Mac: 1 GHz or better processor. Mac OS X® 10.10 or later

Job Analysis

A job analysis is a complete definition of a target job, including a comprehensive list of tasks, duties, and responsibilities, as well as a list of the minimum knowledge, skills, and abilities required to perform the job. The IACP will perform a job analysis for each rank being tested.

Initial Data Collection: The department will provide the IACP with existing information concerning the target jobs (job descriptions, class specifications, training manuals, SOPs, etc.). IACP will conduct a review of these materials and draw on them with new data collection to complete each job analysis.

Data Collection: IACP representatives will make observations and conduct interviews with subject matter experts. Special attention will be given to the human behaviors required in the position. Data will be collected concerning:

- Tasks, duties, and responsibilities
- Knowledge, skills, and abilities
- Examples of effective and ineffective job behavior

Survey: The IACP will develop and administer a job analysis survey to incumbents based on the data collected in previous steps. Information will be collected and integrated by the IACP and reviewed for accuracy by subject matter experts at your agency.

The job analysis results inform the development of the written examination and assessment center exercises to ensure they reflect the requirements of the target ranks. This provides the method for content validation.

Written Exam

Written examinations are multiple-choice tests covering the domain of job knowledge required for the promotional ranks.

Reading List: The reading list is an important first step in the process. IACP will work with Jefferson City Police Department to craft a balanced list of sources, both internal and external, that are appropriate for the target ranks. This list should be finalized and distributed to candidates at least three months prior to the exam administration.

Study Guide: These guides include a list of sources for the examination, sample items, and instructions to help candidates prepare for the examination. Study guides are provided to candidates well before test administration.

Test Development: Test development is directly based on job analysis information, providing the basis for content validity. Multiple-choice job knowledge items will be developed from sources on the reading list.

Administration: The department can self-administer the exam on its own under structured conditions. IACP will provide all instructions and materials needed for administration.

Test Security: The IACP will maintain tight security parameters for all testing materials. During the test development process, only IACP staff and item writers will have access to the test materials. During the test administration process, test materials will be stored in a secure location with only authorized user access. Candidates will not be let into the testing space with electronics or other non-approved materials. All scoring reports and materials shared with WPD will be password protected to ensure only authorized access.

Review: Candidates will review their examinations under controlled conditions. IACP will consider any appeals or comments and make recommendations.

Results and Documentation: Candidate scoresheets will be sent back to the IACP for computer scoring of test responses. All work conducted will be documented, and a complete score report will be given to the organization.

Assessment Center Development

Based on information obtained in the job analysis, IACP can develop the following exercises, which evaluate dimensions that reflect the requirements of the target job. The IACP can develop exercises that represent these unique situations and provide information as to the abilities of candidates to deal effectively with such challenges.

Exercise Types:

- In-Basket
- Oral Interview
- Budget Presentation
- Analysis Presentation
- Role Play

In-Basket (All Ranks)

The In-Basket exercise closely simulates the day-to-day supervisory and decision-making activities performed by the target rank. The exercise presents candidates with many problems at varying levels of complexity. The candidates are given scenarios typically handled at the target rank and instructed to provide appropriate responses in writing. These scenarios may be presented in the form of a letter, email, memo, graph, table, or other internal documents. Each of the items will require a response from the candidate, and some items are related.

Oral Interview (All Ranks)

This exercise allows the candidate to respond to questions regarding their skills and experience. The questions are a mix of behavioral questions (in which candidates describe their relevant skills and experience) and performance-based questions (in which candidates respond to scenarios that are commonly handled by the target rank).

Analysis Presentation (All Ranks)

Candidates are presented with background information on a selected relevant topic and directed to prepare a presentation. They are given a designated period to give their presentation, which is followed by a question-and-answer session designed to challenge their presentation. The Analysis Presentation exercise simulates public presentations and/or presentations to command staff or subordinates.

Role Play (All Ranks)

The role play exercise simulates a meeting between the candidate and a citizen, a subordinate employee, or a stakeholder of some kind. Although the exercise is a simulation, candidates

reveal their supervisory/interpersonal skills in establishing rapport with the role player, uncovering relevant information, assessing the problem, listening carefully to the role player's responses and making use of that information, and coming up with a solution that will address the problem.

Budget Presentation (Lieutenants/Captains)
This exercise allows candidates to illustrate how their knowledge of department operations and procedures has prepared them for the target rank. During the exercise, candidates are asked to prepare and present a budget, followed by a question-and-answer session designed to challenge their presentation.

Dimensions Evaluated: Candidates are systematically evaluated based on benchmarks tied to behavioral dimensions that capture the leadership competencies necessary to act as a police leader successfully.

- Oral Communication
- Written Communication
- Delegation and Control
- Interpersonal Insight
- Problem Solving
- Planning and Organization
- Judgement
- Decisiveness

Assessment Center Administration

The IACP can administer an assessment center, including the following aspects:

Candidate Orientation: A virtual orientation session will be conducted for candidates. The orientation will describe the process and include illustrative examples. The duration of the orientation is approximately two hours.

Assessor Recruitment: Either the IACP or the department will be responsible for the recruitment of assessors. The total number of assessors needed is directly based on the number of candidates going through the assessment center.

Assessor Training: Assessors will participate in training conducted by the IACP. The core of this training will be practice and feedback, using the actual exercises to be used and the associated assessor report forms. Training takes a half day to one full day.

Assessment Center Administration: Assessment center candidates will participate in exercises during an all-day, intensive assessment period.

All activities will be scheduled in advance, and an IACP Administrator will monitor all procedures.

Test Security: The IACP will maintain tight security parameters for all testing materials. Only IACP staff and exercise developers will have access to the test materials during the assessment center development process. At the start of assessor training, assessors are educated on the importance of test security and sign a non-disclosure agreement. Once the scoring process is over, only IACP staff will have access to the test materials.

Report Writing/Scoring: Each assessor reviews the data collected on a candidate to assign a numerical score on the job-related dimensions measured by the assessment center exercises. The scores are made independently and without discussion with other assessors. Not only are the numerical scores recorded, but ratings are supported by specific examples of behavior observed in each exercise.

Assessment Center Results and Documentation

Following the conclusion of the assessment center, the IACP will prepare a final report for the agency that includes a summary of candidate performance data. Information concerning candidates includes an overall summary score and ratings and behavioral information concerning each candidate's strengths and weaknesses in performance-related dimensions.

Data Integration: After the completion of exercises and report writing, data concerning candidates are combined. This integration is accomplished by a statistical combination of data. The final rating on each performance dimension is based on multiple raters evaluating performance in different situations. The result is a comprehensive picture of each candidate's capabilities and a quantitative evaluation of job-related dimensions.

Candidate Feedback: Individual feedback reports consist of a candidate's competency and total score compared to the group average. The IACP will prepare these reports for distribution to participating candidates.

Project Timeline

Activity	Estimated Timeframe
Kick-off Call for Project Planning	Month 1
Job Analysis (Interviews, Surveys)	Month 1
Candidate Orientation	Month 1
Written Exam and Assessment Center Development (Includes review of the exam by JCPD prior to administration)	Months 2 and 3
Written Exam Administration	**Month 4**
Written Exam Scores	5 days after administration
Assessment Center Administration	**Month 4**
Assessment Center Scores and Candidate Feedback Reports	2 weeks after administration

Additional Forms



International Association of Chiefs of Police
44 Canal Center Plaza, Suite 200
Alexandria, VA 22314

Direct: 703-836-6767
Main Line: 800-THE-IACP
Fax: 703-836-4543

www.theIACP.org

BILL SUMMARY

BILL NO: 2022-087

SPONSOR: Councilmember Schreiber

SUBJECT: Authorizing a Contract with Prost Builders, Inc. for the Modernization of the Elevator Located at 401 Monroe St. to the Jefferson City Police Department, Bid No. RFP4059

DATE INTRODUCED: December 19, 2022

DEPARTMENT DIRECTOR(S):

CITY ADMINISTRATOR:

Staff Recommendation: Approve.

Summary: This bill would authorize a contract with Prost Builders for the modernization of the elevator located at 401 Monroe St. to the Jefferson City Police Department in the amount of $254,000.

Origin of Request: Police Department

Department Responsible: Police Department

PERSON RESPONSIBLE: ERIC WILDE, Chief of Police

Background Information: The Jefferson City Police Department would like to purchase a contract with Prost Builders, Inc. of Jefferson City, Missouri for the modernization of the elevator located within the department. Elevator Modernization, ARPA Funds will cover $200,000.00 of the project and Police Renovations & Upgrades, Sales Tax H Funds will cover the remaining amount of $54,000.

Fiscal Information:

Account Number	Account Description	FY23 Budget	Expended/ Encumbered Amount	Bid Amount	Balance
10-995-599505	Elevator Modernization, ARPA Funds	$200,000.00	$0	$200,000.00	$0
46-990-575010	Police Renovations & Upgrades, Sales Tax H	$333,158.00	$4,996.92	$54,000.00	$274,161.08

BILL NO. 2022-087

SPONSORED BY Councilmember Schreiber

ORDINANCE NO._____

AN ORDINANCE OF THE CITY OF JEFFERSON, MISSOURI, AUTHORIZING A CONTRACT WITH PROST BUILDERS, INC. OF JEFFERSON CITY, MISSOURI FOR THE MODERNIZATION OF THE ELEVATOR LOCATED AT 401 MONROE ST. IN THE AMOUNT OF $254,000.

BE IT ENACTED BY THE COUNCIL OF THE CITY OF JEFFERSON, MISSOURI, AS FOLLOWS:

Section 1. The bid of Prost Builders, Inc. is declared to be the lowest and best responsive bid and is hereby accepted for the Elevator Modernization Project.

Section 2. The Mayor and City Clerk are hereby authorized to execute an agreement with Prost Builders, Inc. for the Elevator Modernization Project.

Section 3. This agreement with Prost Builders, Inc. shall be substantially the same in form and content as Exhibit A attached hereto.

Section 4. This Ordinance shall be in full force and effect from and after the date of its passage and approval.

Passed:_____ Approved:_____

_____ _____

Presiding Officer Mayor Carrie Tergin

ATTEST: APPROVED AS TO FORM:

_____ _____

City Clerk City Attorney

FINANCE DEPARTMENT
PURCHASING DIVISION

SUBJECT: Bid RFP4059 – Elevator Modernization
Police Department, Opened September 20, 2022

RECOMMENDATION:

Staff recommends the award of bid RFP4059 to Prost Builders, Inc of Jefferson City, Missouri for the modernization of the elevator located at 401 Monroe St. Bids were solicited and only one response was received. The proposal was evaluated and deemed to be a satisfactory bid meeting all the requirements. The base cost for the elevator modernization is $254,000. The Department is not awarding Option 1 or Option 2

BIDS RECEIVED:

	Bid Amount
Prost Builders, Inc, Jefferson City, MO	$254,000 – base bid
	$22,750 – Option 1, Construct Fire Rated Enclosure
	$25,500 – Option 2, Modernization of Elevator Cab

This bid was advertised in the News Tribune on 8/31/2022 and posted on Bonfire. Bid notifications were sent to 106 vendors of which 5 were recommended vendors.

FISCAL NOTE:

Account Number	Description	FY 2023 Budget	Expended or Encumbered Amount	Bid Amount	Balance
10-995- 599505	Elevator Modernization, ARPA Funds	$200,000.00	$0	$200,000.00	$0
46-990-575010	Police Renov & Upgrades, Sales Tax H	$333,158.00	$4,996.92	$54,000.00	$274,161.08
			Bid Total	**$254,000.00**	

ATTACHMENTS – SUPPORTING DOCUMENTATION

Signature: Purchasing Agent 12/2/22

City of JEFFERSON MISSOURI

RFP4059-08/22 - Elevator Modernization

Scoring Summary

Active Submissions

Supplier	Total / 100 pts	Pricing / 40 pts	Experience and Technical Competence / 10 pts	Proposed Solution / 35 pts	Warranty Provisions, Technical Support, Maintenance / 10 pts	Project Timeline / 5 pts
Prost Builders, Inc.	100	40 ($302,250.00)	10	35	10	5

EXHIBIT A

CITY OF JEFFERSON
CONTRACT FOR CONSTRUCTION SERVICES

THIS CONTRACT, made and entered into the date last executed by a party as indicated below, by and between the City of Jefferson, a municipal corporation of the State of Missouri, hereinafter referred to as "City", and Prost Builders, Inc., hereinafter referred to as "Contractor".

WITNESSETH:

THAT WHEREAS, Contractor has become the lowest responsible bidder for furnishing the supervision, labor, tools, equipment, materials and supplies for the following City improvements: Elevator Modernization at the Police Department on 401 Monroe St, Jefferson City, MO 65101.

NOW THEREFORE, the parties to this contract agree to the following:

1. Scope of Services.
Contractor agrees to provide all supervision, labor, tools, equipment, materials and supplies for new elevator door panels, electrification, hydraulic equipment, and fixtures, as set forth in Exhibit A. In the event of a conflict between this agreement and any attached exhibits, the provisions of this agreement shall govern and prevail.

2. Payment.
The City hereby agrees to pay Contractor the work done pursuant to this contract according to the payment schedule set forth in the contract documents upon acceptance of said work by an Agent of the City of Jefferson's Police Department, and in accordance with the rates and/or amounts stated in the bid of Contractor dated 9/20/2022, which are by reference made a part hereof. No partial payment to Contractor shall operate as approval or acceptance of work done or materials furnished hereunder. The total amount of this contract shall not exceed Two Hundred Fifty-Four Thousand Dollars and Zero Cents ($254,000.00) as set forth in Exhibit B.

3. Manner and Time for Completion.
Contractor agrees with the City to furnish all supervision, labor, tools, equipment, materials and supplies necessary to perform, and to perform said work at Contractor's own expense in accordance with the contract documents and any applicable City ordinances and state and federal laws within ten (10) months of the date last signed.

4. Prevailing Wages.
If the bid price is $75,000 or higher, prevailing wage will apply to public works projects. To the extent that the work performed by Contractor is subject to prevailing wage law, Contractor shall pay a wage of no less than the "prevailing hourly rate of wages" for work of a similar character in this locality, as established by Department of Labor and Industrial Relations of the State of Missouri, and as established by the Federal Employment Standards of the Department of Labor. Contractor acknowledges that Contractor knows the prevailing hourly rate of wages for this project because Contractor has obtained the prevailing hourly rate of wages from the contents of Annual Wage Order No. 26 Section 026 in which the rate of wages is set forth. Contractor further agrees that Contractor will keep an accurate record showing the names and occupations of all workers employed in connection with the work to be performed under the terms of this contract. The record shall show the actual wages paid to the workers in connection with the work to be performed under the terms of this contract. A copy of the record shall be delivered to the Purchasing Agent each week. In accordance with Section 290.250, RSMo, Contractor shall forfeit to the City One Hundred Dollars ($100.00) for each worker employed, for each calendar day or portion thereof that the worker is

paid less than the stipulated rates for any work done under this contract, by Contractor or any subcontractor under the Contractor.

5. Insurance.

Contractor shall procure and maintain at its own expense during the life of this contract:

A. Workmen's Compensation Insurance for all of its employees to be engaged in work under this contract.

B. Contractor's Public Liability Insurance in an amount not less than $3,000,000 for all claims arising out of a single occurrence and $500,000 for any one person in a single accident or occurrence, except for those claims governed by the provisions of the Missouri Workmen's Compensation Law, Chapter 287, RSMo, and Contractor's Property Damage Insurance in an amount not less than $3,000,000 for all claims arising out of a single accident or occurrence and $500,000 for any one person in a single accident or occurrence.

C. Automobile Liability Insurance in an amount not less than $3,000,000 for all claims arising out of a single accident or occurrence and $500,000 for any one person in a single accident or occurrence.

D. Owner's Protective Liability Insurance. The Contractor shall also obtain at its own expense and deliver to the City an Owner's Protective Liability Insurance Policy naming the City and the City as the insured, in an amount not less than $3,000,000 for all claims arising out of a single accident or occurrence and $500,000 for any one person in a single accident or occurrence, except for those claims governed by the provisions of the Missouri Workmen's Compensation Law, Chapter 287, RSMo. No policy will be accepted which excludes liability for damage to underground structures or by reason of blasting, explosion or collapse. Such policy shall not be required if the City of Jefferson is endorsed as an additional insured under the policies described in Sub-paragraphs B and C above and such are not subject to cancellation or modification without thirty (30) days' notice to the City.

E. Subcontracts. In case any or all of this work is sublet, the Contractor shall require the Subcontractor to procure and maintain all insurance required in Sub-paragraphs A, B, and C hereof and in like amounts.

F. Scope of Insurance and Special Hazard. The insurance required under Sub-paragraphs B and C hereof shall provide adequate protection for Contractor and its subcontracts, respectively, against damage claims which may arise from operations under this contract, whether such operations be by the insured or by anyone directly or indirectly employed by it, and also against any special hazards which may be encountered in the performance of this contract.

NOTE: Paragraph F is construed to require the procurement of Contractor's protective insurance (or contingent public liability and contingent property damage policies) by a general contractor whose subcontractor has employees working on the project, unless the general public liability and property damage policy (or rider attached thereto) of the general contractor provides adequate protection against claims arising from operations by anyone directly or indirectly employed by Contractor.

6. Contractor's Responsibility for Subcontractors.

It is further agreed that Contractor shall be as fully responsible to the City for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them, as Contractor is for the acts and omissions of persons it directly employs. Contractor shall cause appropriate provisions to be inserted in all subcontracts relating to this work, to bind all subcontractors to Contractor by all the terms herein set forth, insofar as applicable to the work of subcontractors and to give Contractor the same power regarding termination of any subcontract as the City may exercise over Contractor under any provisions of this

contract. Nothing contained in this contract shall create any contractual relations between any subcontractor and the City or between any subcontractors.

7. Liquidated Damages.

The City may deduct Two Hundred Dollars ($200.00) from any amount otherwise due under this contract for every day Contractor fails or refuses to prosecute the work, or any separable part thereof, with such diligence as will ensure the completion by the time above specified, or any extension thereof, or fails to complete the work by such time, as long as the City does not terminate the right of Contractor to proceed. It is further provided that Contractor shall not be charged with liquidated damages because of delays in the completion of the work due to unforeseeable causes beyond Contractor's control and without fault or negligence on Contractor's part or the part of its agents.

8. Termination.

The City reserves the right to terminate this contract by giving at least five (5) days prior written notice to Contractor, without prejudice to any other rights or remedies of the City should Contractor be adjudged a bankrupt, or if Contractor should make a general assignment for the benefit of its creditors, or if a receiver should be appointed for Contractor or for any of its property, or if Contractor should persistently or repeatedly refuse or fail to supply enough properly skilled workmen or proper material, or if Contractor should refuse or fail to make prompt payment to any person supplying labor or materials for the work under the contract, or persistently disregard instructions of the City or fail to observe or perform any provisions of the contract.

9. City's Right to Proceed.

In the event this contract is terminated pursuant to Paragraph 8, then the City may take over the work and prosecute the same to completion, by contract or otherwise, and Contractor and its sureties shall be liable to the City for any costs over the amount of this contract thereby occasioned by the City. In any such case the City may take possession of, and utilize in completing the work, such materials, appliances and structures as may be on the work site and are necessary for completion of the work. The foregoing provisions are in addition to, and not in limitation of, the rights of the City under any other provisions of the contract, city ordinances, and state and federal laws.

10. Indemnity.

To the fullest extent permitted by law, the Contractor will defend, indemnify, and hold harmless the City, its elected and appointed officials, employees, and agents from and against any and all claims, damages, losses, and expenses including attorneys' fees arising out of or resulting from the performance of the work, provided that any such claim, damage, loss or expense (1) is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the work itself) including the loss of use resulting therefrom and (2) is caused in whole or in part by any negligent act or omission of contractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this paragraph.

11. Payment for Labor and Materials.

Contractor agrees and binds itself to pay for all labor done and for all the materials used in the construction of the work to be completed pursuant to this contract.

12. Supplies.

Contractor is hereby authorized and directed to utilize the City's sales tax exemption in the purchase of goods and materials for the project as set out in Section 144.062, RSMo 1986 as amended.

13. Performance and Materialman's Bonds Required.

Contractor shall provide a bond to the City before work is commenced, and no later than ten (10) days after the execution of this contract, guaranteeing the Contractor's performance of the work bid for, the payment of amounts due to all suppliers of labor and materials, the payment of insurance premiums for workers compensation insurance and all other insurance called for under this contract, and the payment of the prevailing wage rate to all workmen as required by this contract, said bond to be in a form approved by the City, and to be given by such company or companies as may be acceptable to the City in its sole and absolute discretion. The amount of the bond shall be equal to the Contractor's bid.

14. Knowledge of Local Conditions.

Contractor hereby warrants that it has examined the location of the proposed work and the attached specifications and has fully considered such local conditions in making its bid herein.

15. Severability.

If any section, subsection, sentence, or clause of this contract shall be adjudged illegal, invalid, or unenforceable, such illegality, invalidity, or unenforceability shall not affect the legality, validity, or enforceability of the contract as a whole, or of any section, subsection, sentence, clause, or attachment not so adjudged.

16. Governing Law.

The contract shall be governed by the laws of the State of Missouri. The courts of the State of Missouri shall have jurisdiction over any dispute which arises under this contract, and each of the parties shall submit and hereby consents to such courts exercise of jurisdiction. In any successful action by the City to enforce this contract, the City shall be entitled to recover its attorneys' fees and expenses incurred in such action.

17. Contract Documents.

The contract documents shall consist of the following:

a. This Contract
b. Addenda
c. Information for Bidders
d. Notice to Bidders
e. Signed Copy of Bid
f. Drawing and/or Sketches

This contract and the other documents enumerated in this paragraph, form the contract between the parties. These documents are as fully a part of the contract as if attached hereto or repeated herein.

18. Complete Understanding, Merger.

Parties agree that this document, including those documents described in the section entitled "Contract Documents", represent the full and complete understanding of the parties. This contract includes only those goods and services specifically set out. This contract supersedes all prior contracts and understandings between the Contractor and the City.

19. Authorship and Enforcement.

Parties agree that the production of this document was the joint effort of both parties and that the contract should not be construed as having been drafted by either party. In the event that either party shall seek to enforce the terms of this contract through litigation, the prevailing party in such action shall be entitled to receive, in addition to any other relief, its reasonable attorneys' fees, expenses and costs.

20. Amendments.

This contract may not be modified, changed or altered by any oral promise or statement by whosoever made; nor shall any modification of it be binding upon the City until such written modification shall have been approved in writing by an authorized officer of the City. Contractor acknowledges that the City may not be responsible for paying for changes or modifications that were not properly authorized.

21. Waiver of Breach.

Failure to insist upon strict compliance with any of the terms, covenants or conditions herein shall not be deemed a waiver of any such terms, covenants or conditions, nor shall any failure at one or more times be deemed a waiver or relinquishment at any other time or times by any right under the terms, covenants or conditions herein.

22. Assignment.

Neither party may sell or assign its rights or responsibilities under the terms of this agreement without the express consent of the remaining party.

23. Nondiscrimination.

Contractor agrees in the performance of this contract not to discriminate on the grounds of race, creed, color, national origin or ancestry, sex, religion, handicap, age, or political opinion or affiliation, against any employee of Contractor or applicant for employment, and shall include a similar provision in all subcontracts let or awarded hereunder.

24. Illegal Immigration.

Prior to commencement of the work:

a. 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 contracted services.

b. Contractor shall sign an affidavit affirming that it does not knowingly employ any person who is an unauthorized alien in connection with the contracted services.

c. If Contractor is a sole proprietorship, partnership, or limited partnership, Contractor shall provide proof of citizenship or lawful presence of the owner prior to issuance of the Notice to Proceed.

25. Construction Safety Program Requirements.

a. Contractor shall require all on-site employees to complete the ten-hour safety training program required pursuant to Section 292.675 RSMo, if they have not previously completed the program and have documentation of having done so. All employees working on the project are required to complete the program within sixty (60) days of beginning work on the Project.

b. Any employee found on the worksite subject to this section without documentation of the successful completion of the course required under subsection (a) shall be afforded twenty (20) days to produce such documentation before being subject to removal from the project.

c. Pursuant to Section 292.675 RSMo., Contractor shall forfeit as a penalty to City Two Thousand Five Hundred Dollars ($2,500.00) plus One Hundred Dollars ($100.00) for each employee employed by Contractor or subcontractor, for each calendar day, or portion thereof, such employee is employed without the required training. The penalty shall not begin to accrue until the time periods in subsections (a.) and (b.) have elapsed. City shall withhold and retain from the amount due Contractor under this Contract, all sums and amounts due and owing City as a result of any violation of this section.

26. Notices.

All notices required or permitted hereinunder and required to be in writing may be given by first class mail addressed to the following addresses. The date and delivery of any notice shall be the date falling on the second full day after the day of its mailing.

If to the City:
City of Jefferson
Department of Law
320 East McCarty Street
Jefferson City, Missouri, 65101

If to the Contractor:
Prost Builders, Inc.
Drew Wilde
P.O Box 1727
Jefferson City, MO 65102

CITY OF JEFFERSON, MISSOURI

_____
Mayor
Date: _____

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____
City Attorney

PROST BUILDERS, INC.

Drew Wilde
Title: Projects Vice President
Date: 12/02/2022

ATTEST:

_____
Title: Secretary

EXHIBIT A

Scope of Services

Background

The JCPD currently has the following equipment located at 401 Monroe St., Jefferson City, MO:

- One elevator
- Rated load: 3500 lbs
- Rated speed: 90 fpm
- Travel height: 16 ft, 10 in
- Number of floors: 4 floors / 2 front openings / 2 side openings

The JCPD requires a modernization solution to include fixtures, doors, electrification, and hydraulic equipment. All parts, equipment, supplies to be used in the solution must be new. Used or refurbished parts are not acceptable.

Contractor Responsibilities

Provide all required engineering, supervision, labor, equipment, materials, tools, permits, and any other necessary components to modernize the hydraulic elevator at the Jefferson City Police Department located at 401 Monroe Street, Jefferson City, MO.

Contractor shall comply with all current applicable local, state, and federal building codes, elevator codes, laws, regulations, and ordinances at the project site, including but not limited to, the following:

- ANSI A 117 .1 -Buildings and Facilities: Providing Accessibility and Usability for Physically Handicapped People
- ADAAG -Americans with Disabilities Act Accessibility Guidelines
- ANSI/NFPA 70 -National Electrical Code
- ASME/ANSI A17.1 -Safety Code for Elevators and Escalators
- NSI/UL 10B-Fire Tests of Door Assemblies
- International Building Code
- Model Building Codes
- All other applicable local, state, and federal codes, laws, regulations and ordinances

Contractor will install, test, and ensure the functionality before acceptance by the City. Installation will be done by the contractor or subcontractor certified by the equipment manufacturer.

Contractor should be performed during normal work hours of Monday through Friday from 8:00 am to 5:00 pm. The City is flexible and will work with the contractor if other work hours are needed as the Police Department facility is open 24/7.

Storage is restricted to the areas designated by the City.

Contractor is responsible for disposal of all replaced parts and equipment.

Contractor will clean up as needed, daily and upon completion of work.

Contractor shall provide any necessary safety signage, markings, and barriers.

Contractor shall perform all mechanical and electrical work required to modernize the elevator.

General Description of Modernization

Modernization will include doors, electrification, hydraulic equipment, and fixtures. The information provided may not be all inclusive. It is imperative that proposers perform an inspection of the elevator prior to submitting their proposal.

Doors:

- Install new door panel(s) where applicable. New doors shall be UL fire rated 1.5 hours.

- Curtain of Light – Elevator car shall be equipped with an electronic protective device extending the full height of the car. When activate, the sensor shall prevent the doors from closing or cause them to stop and reopen if they are in the process of closing. Doors will remain open as long as the flow of traffic continues and shall close shortly after the last person passes through the door opening.

- MAC Door Equipment – New door operator shall be installed and arranged to automatically open and close the car door panel. The door operator shall be arranged so than in the event of a power failure of the operating circuits, the car doors cannot be readily opened by hand from within the elevator cab. The elevator shall not be able to move away from a landing until the car door panel is full closed. The car door shall be equipped with a contact which will prevent operation of the car unless the car door is closed. The contact shall be of the approved type and tested as required by code.

Electrification:

- Modernization solution is needed for elevator control and electrical systems. Solution shall be based on the latest in control technology replacing the outdated technology such as relays and older electronic systems to improve the levels of performance, reliability, safety and energy efficiency of the elevator. The solution shall interface with other types of existing elevator components to ensure a swift, trouble-free installation. A microprocessor-based control system shall be provided to perform the functions of safe elevator motion. All hardware required to connect, transfer and interrupt power, and to protect the motor against overloading shall be included. Controller cabinets containing memory equipment shall be properly shielded from the line pollution. The microcomputer system shall be designed to accept reprogramming with minimum system downtime. High voltage (110v or above) contract points inside the controller cabinet shall be protected from accidental contract in a situation where the controller doors are open. The solution shall utilize on-board diagnostics for servicing, troubleshooting, and adjusting without requiring the use of an outside service tool.

Hydraulic Equipment:

- Field Pipe and Accessories – New field pipe and/or accessories shall be provided as required.

- Power Unit – Furnish a hydraulic power unit designed and manufactured for these services. The motor and pump are to be submersed under the oil inside the tank in order to provide for sound isolation. The unit shall have a muffler, designed to reduce pulsation and noise which may present in the flow of hydraulic oil. Control valves, including safety check valve, up direction valve with high pressure relief including leveling and soft stop features, lowering valve including down leveling and manual leveling feature is to be mounted in a compact unit assembly. A valve designed to shut off the flow of oil between the cylinder and the power unit is to be provided in the oil line in the machine room. Automatic two-way leveling is to be provided to automatically stop and maintain the car approximately level with the landing regardless of the load. An up-traveling car will automatically descend to the lower terminal landing if the hydraulic system does not have a sufficient reservoir of oil. Power operated car and hoistway doors will automatically open at the lowest terminal landing permitting passenger egress. The door will then automatically close and all control buttons, except the Door Open Button will be made ineffective.

Fixtures:

Vandal resistant signalization shall be provided. Signalization shall be impact, scratch, burn and splash resistant and easy to clean. The car operating panel shall be vandal resistant with all push buttons, key switches, and message indicators for elevator operation. Buttons shall be mechanical, illuminated and marked to

correspond to landing served, emergency call button, door open/close button, and key switches for lights, inspection, and exhaust fan. Buttons shall have raised text and Braille markings on the side. Emergency two-Way Communication device shall be furnished in the car-operating panel. All necessary wires for the device shall be included and connected to the car traveling cable. Communication device shall be ADA compliant. Hall call signalization shall be provided at each landing. Fixtures shall be provided with illuminated buttons. A fire service key switch shall be provided per code requirements.

Contractor shall indicate who will be responsible for the communications equipment and connections to the building service system. This may be furnished and installed by others.

Warranty

Contractor shall provide the manufacturer's standard warranty for failures due to defective materials and workmanship. Bidders must provide warranty information with their proposal

Inspection

Contractor shall inspect all equipment upon installation to ensure there are no defects, proper installation, and that nothing has been done to void the warranty.

Subcontractors

The Contractor shall be responsible to the City for acts, defaults and omissions of their subcontractors of any tier.

The subcontractors of any tier shall be bound by the applicable terms and provisions of the contract, but no contractual relationship shall exist between subcontractors of any tier and the City.

Proposers shall list all and any subcontractors they intend on using and identify what their role will be.

Bid Bond

Each bid must be accompanied by a certified check or bid bond made payable to the City of Jefferson for five (5%) percent of the amount of the bid. Bid securities will be returned after award of the contract except to the successful bidder. Should the successful bidder fail or refuse to execute the bond and the contract required within seven (7) days after he has received notice of acceptance of his bid, he shall forfeit to the City as liquidated damages for such failure or refusal, the security deposited with his bid.

If submitting a bid electronically, upload the bid bond. If using a certified check, mail the check to the following address prior to the bid closing date: City of Jefferson, Purchasing Division, 320

E McCarty St, Jefferson City, MO 65101. Include the proposal number on the outside of the envelope.

Performance and Payment Bond

The contractor shall furnish an original performance bond (no copy or facsimile is acceptable), cashier's check, certified check, cash, bank draft, or irrevocable letter of credit to the City, within ten (10) days after award of the contract and prior to the start of any work to insure payment of all materials and labor used in the performance of the contract and to fully complete the project in a satisfactory and timely manner. Personal or company checks shall not be accepted. The performance bond shall be made payable to the City of Jefferson in an amount equal to the amount of the total bid price. The contract number and performance date must be specified in the performance bond.

EXHIBIT 2 – FEDERAL CLAUSES

The City of Jefferson is a recipient federal grant funds through the American Rescue Plan Act of 2021. Therefore, the following requirements shall be fully considered in preparing responses and performing work under any resulting award.

Access to Records

Vendor agrees to provide the City, the Federal Government, and any applicable Federal Administrator, Director, the Comptroller General of the United States, or any of their authorized representative's access to any books, documents, papers, and records of the Vendor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions. The Vendor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed. Nothing contained herein shall be construed as intending to limit or prohibit audits or internal reviews by Federal personnel or the Comptroller General of the United States.

Retention Requirements for Records

The contractor shall retain financial records, supporting documents, statistical records and all other records pertinent to the financial assistance agreement for a period of three years starting from the date of submission of the final payment request. Authorized representatives of federal awarding agencies, the Federal Inspectors General, the Comptroller General of the United States, the City or any of their designees shall have access to any pertinent books, documents, and records of contractor in order to conduct audits or examinations. The contractor agrees to allow monitoring and auditing by the City and/or authorized representative. If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the three-year period, the contractor shall retain records until all litigations, claims or audit findings involving the records have been resolved and final action taken.

Breach of Contract

1. In the event of material breach of the contractual obligations by the contractor, the City may cancel the contract. At its sole discretion, the City may give the contractor an opportunity to cure the breach or to explain how the breach will be cured. The actual cure must be completed within no more than 10 working days from notification, or at a minimum the contractor must provide the City within 10 working days from notification a written plan detailing how the contractor intends to cure the breach.

2. If the contractor fails to cure the breach or if circumstances demand immediate action, the City will issue a notice of cancellation terminating the contract immediately. If it is determined the City improperly cancelled the contract, such cancellation shall be deemed a termination for convenience in accordance with the contract.

3. If the City cancels the contract for breach, the City reserves the right to obtain the equipment, supplies, and/or services to be provided pursuant to the contract from other sources and upon

such terms and in such manner as the City deems appropriate and charge the contractor for any additional costs incurred thereby.

4. The contractor understands and agrees that funds required to fund the contract must be appropriated by the General Assembly of the State of Missouri for each fiscal year included within the contract period. The contract shall not be binding upon the City for any period in which funds have not been appropriated, and the City shall not be liable for any costs associated with termination caused by lack of appropriations.

Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)

Each contractor certifies to the tier above by completing the Certification Regarding Lobbying form, that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of the City, an agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award.

Clean Air Act (42 U.S.C. 7401 – 7671q.) and Federal Water Pollution Control Act (33 U.S.C. 1251-1387)

The contractor must comply with the Federal Clean Air Act (42 U.S.C. 7401 – 7671q), as amended, and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended. Failure to abide by these laws is sufficient grounds to cancel the agreement. By agreeing to this agreement, the contractor certifies that the contractor, its board of directors and principals are following these specific federal laws. Further, the contractor shall report to the City any instance in which the contractor or any member of its board of directors or principals is determined by any administrative agency or by any court in connection with any judicial proceeding to be in noncompliance with any of these specific federal laws. Such report shall be submitted within ten (10) working days following such determination. Failure to comply with the reporting requirement may be grounds for termination of this agreement or suspension or debarment of the contractor.

Contract Work Hours and Safety Standards Act (40 U.S.C. 3701 - 3708)

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

2. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (b) (1) of this section the contractor and any subcontractor responsible there for shall be liable for the unpaid wages. In addition, such contractor and

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

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

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

5. The contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. The records to be maintained under this paragraph shall be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the City and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

6. Contracts for construction, alteration, and repair, including painting and decorating, must provide that no contractor or subcontractor contracting for any part of the contract work shall require any laborer or mechanic employed in the performance of the contract to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous to health or safety, as established under construction safety and health standards the Secretary of Labor prescribes by regulation based on proceedings pursuant to section 553 of title 5, provided that the proceedings include a hearing similar in nature to that authorized by section 553 of title 5.

Debarment and Suspension (Executive Orders 12549 and 12689)

A contract award will not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines, 2 CFR 180. SAM exclusions contain the names of parties debarred, suspended or otherwise excluded by agencies as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Equal Employment Opportunity

During the performance of this contract, the contractor agrees as follows:

1. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

   Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

2. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, City that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

3. The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

4. The contractor will send to each labor union or representative of workers with which they have a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

6. The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

7. In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

8. The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each contractor or subcontractor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

   Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a contractor or subcontractor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

Procurement of Recovered Materials

The contractor must comply with section 6002 of the Solid Waste Disposal Acts as amended by the Resources Conservation and Recovery Act. The requirements of this section include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Rights to Inventions Made Under a Contract or Agreement (37 CFR Part 401)

If the contractor produces subject matter, which is or may be patentable in the course of work sponsored by this agreement, the contractor shall promptly and fully disclose such subject matter in writing to the City. In the event that the contractor fails or declines to file Letters of Patent or to recognize patentable subject matter, the City reserves the right to file the same. The City grants to the contractor the opportunity to acquire an exclusive license, including the right to sublicense, with a royalty consideration paid to the City. Payment of royalties by contractor to the City will be addressed in a separate royalty agreement.

Termination

1. Termination for Cause. The City may terminate this agreement, in whole or in part, at any time before the date of completion whenever it is determined that the contractor has failed to comply with the terms and conditions of the agreement. The City shall promptly notify the contractor in writing of such a determination and the reasons for the termination, together with the effective date. The City reserves the right to withhold all or a portion of funds if the contractor violates any term or condition of this agreement. Termination for cause may be considered for evaluating future agreements. The contractor may object to terminations with cause and may provide information and documentation challenging the termination.

2. Termination for Convenience. Both the City and the contractor may terminate the agreement, in whole or in part, when both parties agree that the continuation of the project would not produce beneficial results commensurate with the further expenditure of funds.

3. The City reserves the right to terminate the contract at any time, for the convenience of the State of Missouri, without penalty or recourse, by giving written notice to the contractor at least thirty (30) calendar days prior to the effective date of such termination. The contractor shall be entitled to receive compensation for services and/or supplies delivered to and accepted by the City pursuant to the contract prior to the effective date of termination.

Domestic Preference for Procurements

As appropriate, and to the extent consistent with law (including 2 C.F.R. §200.322), the contractor should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States. This includes, but is not limited to iron, aluminum, steel, cement, and other manufactured products.

Prohibition on certain telecommunications and video surveillance services or equipment

Contractors are prohibited from obligating or expending project funds to:
1. Procure or obtain;
2. Extend or renew a contract to procure or obtain; or
3. Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any

system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

a. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

b. Telecommunications or video surveillance services provided by such entities or using such equipment.

c, Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

4. In implementing the prohibition under Public Law 115-232, section 889, subsection (f), paragraph (1), heads of executive agencies administering loan, grant, or subsidy programs shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered communications equipment and services, to procure replacement equipment and services, and to ensure that communications service to users and customers is sustained.
5. See Public Law 115-232, section 889 for additional information.
6. See also § 200.471.

Disadvantaged Business Enterprise Statement

Contractors bidding on City contracts funded in whole or in part by assistance from a federal agency shall take the following affirmative steps to assure that small, woman owned, and minority businesses are utilized when possible as sources of supplies, services and construction items.

a. Contractors will submit the name and other information, if any, about their DBE sub-contractors along with their bid submissions.

b. Sufficient and reasonable efforts will be made to use qualified DBE sub-contractors when possible on City contracts.

c. Qualified small, woman owned, and minority businesses will be included on solicitation lists as sub-contractors for City supplies, services, and construction.

d. Qualified small, woman owned, and minority businesses will be solicited whenever they are potential sources.

e. When economically feasible, contractors will divide total requirements into smaller

tasks or quantities so as to permit maximum small, woman owned, and minority business participation.

f. Where the requirements permit, contractors will establish delivery schedules which will encourage participation by small, woman owned and minority businesses.

Contractors will use the services and assistance of the Small Business Administration, the Office of Equal Opportunity, and the Community Services Administration.

EXHIBIT 3 – ANNUAL WAGE ORDER – COLE COUNTY

Missouri
Division of Labor Standards
WAGE AND HOUR SECTION

MICHAEL L. PARSON, Governor

Annual Wage Order No. 29

Section 026
COLE COUNTY

In accordance with Section 290.262 RSMo 2000, within thirty (30) days after a certified copy of this Annual Wage Order has been filed with the Secretary of State as indicated below, any person who may be affected by this Annual Wage Order may object by filing an objection in triplicate with the Labor and Industrial Relations Commission, P.O. Box 599, Jefferson City, MO 65102-0599. Such objections must set forth in writing the specific grounds of objection. Each objection shall certify that a copy has been furnished to the Division of Labor Standards, P.O. Box 449, Jefferson City, MO 65102-0449 pursuant to 8 CSR 20-5.010(1). A certified copy of the Annual Wage Order has been filed with the Secretary of State of Missouri.

Original Signed by
Todd Smith, Director
Division of Labor Standards

Filed With Secretary of State: March 10, 2022

Last Date Objections May Be Filed: April 11, 2022

Prepared by Missouri Department of Labor and Industrial Relations

OCCUPATIONAL TITLE	**Prevailing Hourly Rate
Asbestos Worker	$53.18
Boilermaker	$27.22*
Bricklayer	$51.39
Carpenter	$47.88
Lather	
Linoleum Layer	
Millwright	
Pile Driver	
Cement Mason	$41.24
Plasterer	
Communications Technician	$55.00
Electrician (Inside Wireman)	$55.64
Electrician Outside Lineman	$74.20
Lineman Operator	
Lineman - Tree Trimmer	
Groundman	
Groundman - Tree Trimmer	
Elevator Constructor	$27.22*
Glazier	$56.16
Ironworker	$61.89
Laborer	$41.21
General Laborer	
First Semi-Skilled	
Second Semi-Skilled	
Mason	$27.22*
Marble Mason	
Marble Finisher	
Terrazzo Worker	
Terrazzo Finisher	
Tile Setter	
Tile Finisher	
Operating Engineer	$60.02
Group I	
Group II	
Group III	
Group III-A	
Group IV	
Group V	
Painter	$39.08
Plumber	$66.28
Pipe Fitter	
Roofer	$51.92
Sheet Metal Worker	$54.06
Sprinkler Fitter	$62.10
Truck Driver	$41.74
Truck Control Service Driver	
Group I	
Group II	
Group III	
Group IV	

*The Division of Labor Standards received fewer than 1,000 reportable hours for this occupational title. The public works contracting minimum wage is established for this occupational title using data provided by Missouri Economic Research and Information Center.
**The Prevailing Hourly Rate includes any applicable fringe benefit amounts for each occupational title as defined in Section 290.210 RSMo.

Heavy Construction Rates for
COLE County

Section 026

OCCUPATIONAL TITLE	**Prevailing Hourly Rate
Carpenter	$53.63
Millwright	
Pile Driver	
Electrician (Outside Lineman)	$74.20
Lineman Operator	
Lineman - Tree Trimmer	
Groundman	
Groundman - Tree Trimmer	
Laborer	$43.21
General Laborer	
Skilled Laborer	
Operating Engineer	$58.94
Group I	
Group II	
Group III	
Group IV	
Truck Driver	$45.80
Truck Control Service Driver	
Group I	
Group II	
Group III	
Group IV	

Use Heavy Construction Rates on Highway and Heavy construction in accordance with the classifications of construction work established in 8 CSR 30-3.040(3).

Use Building Construction Rates on Building construction in accordance with the classifications of construction work established in 8 CSR 30-3.040(2).

If a worker is performing work on a heavy construction project within an occupational title that is not listed on the Heavy Construction Rate Sheet, use the rate for that occupational title as shown on the Building Construction Rate Sheet.

*The Division of Labor Standards received fewer than 1,000 reportable hours for this occupational title. The public works contracting minimum wage is established for this occupational title using data provided by Missouri Economic Research and Information Center.

**The Prevailing Hourly Rate includes any applicable fringe benefit amounts for each occupational title as defined in Section 290.210 RSMo.

OVERTIME
and
HOLIDAYS

OVERTIME

For all work performed on a Sunday or a holiday, not less than twice (2x) the prevailing hourly rate of wages for work of a similar character in the locality in which the work is performed or the public works contracting minimum wage, whichever is applicable, shall be paid to all workers employed by or on behalf of any public body engaged in the construction of public works, exclusive of maintenance work.

For all overtime work performed, not less than one and one-half (1½) the prevailing hourly rate of wages for work of a similar character in the locality in which the work is performed or the public works contracting minimum wage, whichever is applicable, shall be paid to all workers employed by or on behalf of any public body engaged in the construction of public works, exclusive of maintenance work or contractual obligation. For purposes of this subdivision, **"overtime work"** shall include work that exceeds ten hours in one day and work in excess of forty hours in one calendar week; and

A thirty-minute lunch period on each calendar day shall be allowed for each worker on a public works project, provided that such time shall not be considered as time worked.

HOLIDAYS

January first;
The last Monday in May;
July fourth;
The first Monday in September;
November eleventh;
The fourth Thursday in November; and
December twenty-fifth;

If any holiday falls on a Sunday, the following Monday shall be considered a holiday.

JEFFERSON

RFP4059 – Elevator Modernization

Addendum 1

Questions and Answers

The information below is information that was provided during the prebid conference held on September 9, 2022.

Question: Will the contractor be responsible for providing background checks on staff working the project?

Answer: No, the Police Department can do that if a list of names and date of birth is given to the Police Department staff.

Question: Is there any special security measures that need to be taken when entering and leaving the building?

Answer: No, on the first day, check in with the front desk and staff will be issued a key fob to allow access to the building.

Question: What are the work hours for the project?

Answer: The building is open 24/7. The contractor can work just about any hours they want it should just be coordinated with Police Department staff prior to starting work.

Question: Are there any noise restrictions?

Answer: The only staff that might be impacted by noise is the 911-Dispatch Center and they may be far enough from the work site it will not impact them.

Question: Is there a completion date that needs to be met?

Answer: No, the timing of the modernization can be worked out with the Police Department staff.

Question: What type of access is there for getting equipment in and out, storage, on-site parking, and dumpster availability?

Answer: There is on-site parking available, there is access for equipment to come in from the garage, there is some space in the garage for storage of equipment, and there is a dumpster available for packing materials only. All other materials must be disposed of off-site by the contractor.

Question: Does the equipment/machine room need to be made "fire rated"?

Answer: The cost for this should be added onto the project as alternate pricing.

Question: Do you want the interior of the car updated: ceiling, lights, walls, etc.?

Answer: Possibly. The cost for this should be added onto the project as alternate pricing.

EXHIBIT B

Prost Builders, Inc.
The Eight Generation
Celebrating over 50 Years of Excellence

Corporate Address
Mailing Address: P.O. Box 1727
Jefferson City, Missouri 65102
Delivery Address: 3617 Route CC
Jefferson City, Missouri 65109

TO: City of Jefferson, Owner
CC: Leigh Ann Corrigan
Date: September 20th, 2022

From: Vaughn Prost / Kale Spry
Cell: 573-694-1095 / 573-291-7022
Phone: 573-635-0211 Ext. 145/130

Project: Elevator Modernization - Jefferson Police Department

Subject: Project Scope & Pricing Proposal

Prost builders appreciates the opportunity to bid this project, we look forward to discussing this proposal further with you.

Base Bid: Per Documents Provided by the City of Jefferson City **$254,00.00**

- Provide and install new door panels.
- Provide and install new curtain of light inside elevator cab.
- Provide and Install new MAC door equipment.
- Provide and install all electricity mandatory for new equipment.
- Provide and install new fire and smoke detectors as required by code.
- Provide and install new field pipe and accessories.
- Provide and install new hydraulic power unit.
- Provide and install new fixtures inside the cab of the elevator.
- Standard warranty is included, see attached manufacturer warranty.
- Elevator will be tested and inspected prior to finish.

Total duration from award of contract is 34 weeks, this includes only 6 weeks of onsite construction and elevator downtime.

Voluntary Alternate Bid Option 1: Remove Cage and Construct Fire Rated Enclosure

- Provide and install fire rated wall per city codes.
- Provide 90 min fire rated door.
- Provide a new finish coat of paint on both sides of the wall.
- Provide and install a new ductless mini-split unit with controls.

$22,750.00

Alternate Bid Option 2: Modernization of the Elevator Cab

- Provide new flooring in cab.
- Provide new cab walls and ceiling.

$25,500.00

BILL SUMMARY

BILL NO: 2022-088

SPONSOR: Councilmember Fitzwater

SUBJECT: Authorizing a $80,336 Engineering Design Contract with Bartlett & West Inc. for the Basin 10 – Westview Sewer Main Upgrade

DATE INTRODUCED: December 19, 2022

DEPARTMENT DIRECTOR(S): Matthew Morasch

CITY ADMINISTRATOR: Steve Hunt

Staff Recommendation: Approve.

Summary: This design will allow sanitary sewer main improvements to be bid and constructed in conjunction with a Cole County Public Works stormwater and road improvement project.

Origin of Request: City Staff

Department Responsible: Public Works

PERSON RESPONSIBLE: MATTHEW J. MORASCH, P.E./Eric Seaman, P.E.

Background Information: This was identified as part of a bond project from the issue in April, 2022. Sanitary sewer mains are old and hydraulically under capacity. This will allow the improvements to be installed with economy-of-scale and savings to coordination, restoration and disruption to the public.

Fiscal Information: The project will be expensed from the wastewater enterprise fund. It may be reimbursed by a State Revolving Loan fund loan as this overall project is on the State Intended Use Plan.

Bartlett & West, Inc. ($80,336.00)

Account	Available	Required	Remaining
64-990-579891	$80,336.00	$80,336.00	$0

BILL NO. 2022-088

SPONSORED BY Councilmember Fitzwater

ORDINANCE NO._____

AN ORDINANCE OF THE CITY OF JEFFERSON, MISSOURI, AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE A $80,336.00 AGREEMENT WITH BARTLETT & WEST INC. FOR THE BASIN 10- WESTVIEW SEWER MAIN UPGRADE PROJEC.

WHEREAS, Bartlett & West, Inc. has selected as the firm best qualified to provide professional services related to Basin 10 – Westview Sewer Main Upgrade project.

NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY OF JEFFERSON, MISSOURI, AS FOLLOWS:

Section 1. Bartlett & West, Inc. is declared to be the lowest and best bid and is hereby approved as the best firm to provide professional services for the Basin 10 – Westview Sewer Main Upgrade project.

Section 2. The Mayor and City Clerk are hereby authorized to execute an agreement with Bartlett & West, Inc. for the Basin 10 – Westview Sewer Main Upgrade project.

Section 3. The agreement shall be substantially the same in form and content as that agreement attached hereto as Exhibit A.

Section 4. This Ordinance shall be in full force and effect from and after the date of its passage and approval.

Passed:_____ Approved:_____

_____ _____

Presiding Officer Mayor Carrie Tergin

ATTEST: APPROVED AS TO FORM:

_____ _____

City Clerk City Attorney

EXHIBIT A

CITY OF JEFFERSON
CONTRACT FOR PROFESSIONAL SERVICES

THIS CONTRACT, made and entered into the date last executed by a party as indicated below, by and between the City of Jefferson, a municipal corporation of the State of Missouri, hereinafter referred to as "City", and Bartlett and West, Inc., hereinafter referred to as "Contractor".

WITNESSETH:

THAT WHEREAS, the City desires to engage the Contractor to render certain services for the design of sanitary sewer main for companion Cole County storm sewer and Road Replacement Project, hereinafter described in Exhibit A.

WHEREAS, Contractor has made certain representations and statements to the City with respect to the provision of such services and the City has accepted said proposal to enter into a contract with the Contractor for the performance of services by the Contractor.

NOW THEREFORE, for the considerations herein expressed, it is agreed by and between the City and the Contractor as follows:

1. Scope of Services.
Contractor agrees to engage in the design of sanitary sewer main for companion Cole County storm sewer and Road Replacement Project services, as set forth in Exhibit A. In the event of a conflict between this agreement and any attached exhibits, the provisions of this agreement shall govern and prevail.

2. Payment.
The City hereby agrees to pay Contractor the work done pursuant to this contract on an hourly basis according to the payment schedule set forth in the attached Exhibit B pricing, which are by reference made a part hereof. No partial payment to Contractor shall operate as approval or acceptance of work done or materials furnished hereunder. No change in compensation shall be made unless there is a substantial and significant difference between the work originally contemplated by this agreement and the work actually required. The total amount for services rendered under this contract shall not exceed Eighty Thousand Three Hundred Thirty-Six Dollars and Zero Cents. ($80,336.00).

3. Term.
This contract shall commence immediately upon execution of this agreement. Work under this agreement shall completed within eighteen (18) months of commencement.

4. Additional Services.
The City may add to Contractor services or delete therefrom activities of a similar nature to those set forth in this Contract, provided that the total cost of such work does not exceed the total cost allowance as specified in paragraph 2 hereof. The Contractor shall undertake such changed activities only upon the direction of the City. All such directives and changes shall be in written form and approved by the City and shall be accepted and countersigned by the Contractor or its agreed representatives.

5. Personnel to be Provided.
The Contractor represents that Contractor has or will secure at its expense all personnel required to perform the services called for under this contract by the Contractor. Such personnel shall not be employees of or have any contractual relationship with the City except as employees of the Contractor. All of the services required hereunder will be performed by the Contractor or under the Contractor's direct supervision and all

required hereunder will be performed by the Contractor or under the Contractor's direct supervision and all personnel engaged in the work shall be fully qualified and shall be authorized under state and local law to perform such services. None of the work or services covered by this contract shall be subcontracted except as provided in this Contract without the written approval of the City.

6. Contractor's Responsibility for Subcontractors.

It is further agreed that Contractor shall be as fully responsible to the City for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them, as Contractor is for the acts and omissions of persons it directly employs. Contractor shall cause appropriate provisions to be inserted in all subcontracts relating to this work, to bind all subcontractors to Contractor by all the terms herein set forth, insofar as applicable to the work of subcontractors and to give Contractor the same power regarding termination of any subcontract as the City may exercise over Contractor under any provisions of this contract. Nothing contained in this contract shall create any contractual relations between any subcontractor and the City or between any subcontractors.

7. Independent Contractor.

The Contractor is an independent contractor and nothing herein shall constitute or designate the Contractor or any of its employees as agents or employees of the City.

8. Benefits not Available.

The Contractor shall not be entitled to any of the benefits established for the employees of the City and shall not be covered by the Workmen's Compensation Program of the City.

9. Nondiscrimination.

The Contractor agrees in the performance of the contract not to discriminate on the grounds or because of race, creed, color, national origin or ancestry, sex, religion, handicap, age or political affiliation, against any employee of Contractor or applicant for employment and shall include a similar provision in all subcontracts let or awarded hereunder.

10. Illegal Immigration.

Prior to commencement of the work:

a. 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 contracted services.

b. Contractor shall sign an affidavit affirming that it does not knowingly employ any person who is an unauthorized alien in connection with the contracted services.

c. If Contractor is a sole proprietorship, partnership, or limited partnership, Contractor shall provide proof of citizenship or lawful presence of the owner.

11. Notice to Proceed. The services of the Contractor shall commence as directed in the Notice to Proceed, and shall be undertaken and completed within.

12. Termination

If, through any cause, the Contractor shall fail to fulfill in timely and proper manner its obligations under this contract, or if the Contractor shall violate any of the covenants, agreements, or stipulations of this contract, the City shall thereupon have the right to terminate this contract by giving written notice to the

Contractor of such termination and specifying the effective date thereof, at least five (5) days before the effective day of such termination. The City reserves the right to terminate this contract for convenience by giving at least fourteen (14) days prior written notice to Contractor, without prejudice to any other rights or remedies of the City, provide Contractor shall be entitled to payment for all work completed by Contractor through the date of termination. The Contractor may without cause terminate this contract upon 30 days prior written notice. In either such event all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports or other materials prepared by the Contractor under this contract shall, at the option of the City, become its property, and the compensation for any satisfactory work completed on such documents and other materials shall be determined. Notwithstanding the above, the Contractor shall not be relieved of liability to the City for damages sustained by the City by virtue of any such breach of contract by the Contractor.

13. [RESERVED]

14. Waiver of Breach.
Failure to insist upon strict compliance with any of the terms covenants or conditions herein shall not be deemed a waiver of any such terms, covenants or conditions, nor shall any failure at one or more times be deemed a waiver or relinquishment at any other time or times by any right under the terms, covenants or conditions herein.

15. Authorship and Enforcement
Parties agree that the production of this document was the joint effort of both parties and that the contract should not be construed as having been drafted by either party. In the event that the City successfully enforces the terms of this contract through litigation, the City shall be entitled to receive, in addition to any other relief, its reasonable attorney's fees, expenses and costs.

16. Severability.
If any section, subsection, sentence, or clause of this contract shall be adjudged illegal, invalid, or unenforceable, such illegality, invalidity, or unenforceability shall not affect the legality, validity, or enforceability of the contract as a whole, or of any section, subsection, sentence, clause, or attachment not so adjudged.

17. Assignment.
The Contractor shall not assign any interest in this contract, and shall not transfer any interest in the same (whether by assignment or novation), without prior written consent of the City thereto. Any such assignment is expressly subject to all rights and remedies of the City under this agreement, including the right to change or delete activities from the contract or to terminate the same as provided herein, and no such assignment shall require the City to give any notice to any such assignee of any actions which the City may take under this agreement, though City will attempt to so notify any such assignee.

18. Existing Data.
All information, data and reports as are existing, available and necessary for the carrying out of the work, shall be furnished to the Contractor without charge by the City, and the City shall cooperate with the Contractor in every reasonable way in carrying out the scope of services. The Contractor shall not be liable for the accuracy of the information furnished by the City.

19. Confidentiality.
Any reports, data or similar information given to or prepared or assembled by the Contractor under this contract which the City requests to be kept as confidential shall not be made available to any individual or

organization by the Contractor without prior written approval of the City.

20. Indemnity.

A. Indemnity by Consultant. Consultant agrees to indemnify and hold harmless 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 Consultant. In no event shall the indemnification obligation extend beyond the date when the institution of legal or equitable proceedings for professional negligence would be barred by any applicable statute of repose or statute of limitations. If 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 Client for claims caused or alleged to be caused in whole or in part by the acts or omissions of Client or other third parties for whom Consultant is not responsible.

C. Under no circumstances shall Consultant be required to pay the defense costs of Client, unless Consultant is adjudged to be negligent by a court of law and such defense costs are included as damages in the award.

21. Insurance.

Contractor shall provide, at its sole expense, and maintain during the term of this agreement commercial general liability insurance with a reputable, qualified, and financially sound company licensed to do business in the State of Missouri, and unless otherwise approved by the City, with a rating by Best of not less than "A," that shall protect the Contractor, the City, and the City's officials, officers, and employees from claims which may arise from operations under this agreement, whether such operations are by the Contractor, its officers, directors, employees and agents, or any subcontractors of Contractor. This liability insurance shall include, but shall not be limited to, protection against claims arising from bodily and personal injury and damage to property, resulting from all Contractor operations, products, services or use of automobiles, or construction equipment at a limit of $500,000 Each Occurrence, $3,000,000 Annual Aggregate; provided that nothing herein shall be deemed a waiver of the City's sovereign immunity. An endorsement shall be provided which states that the City is named as an additional insured and stating that the policy shall not be cancelled or materially modified so as to be out of compliance with the requirements of this section, or not renewed without 30 days advance written notice of such event being given to the City.

22. Documents.

Reproducible copies of tracings and maps prepared or obtained under the terms of this contract shall be delivered upon request to and become the property of the City upon termination or completion of work. Copies of basic survey notes and sketches, charts, computations and other data prepared or obtained under this contract shall be made available, upon request, to the City without restrictions or limitations on their use. When such copies are requested, the City agrees to pay the Contractor its costs of copying and delivering same.

23. Books and Records.

The Contractor and all subcontractors shall maintain all books, documents, papers, accounting records and other evidence pertaining to costs incurred in connection with this contract, and shall make such materials available at their respective offices at all reasonable times during the contract and for a period of three (3) years following completion of the contract.

24. Nonsolicitation.

The Contractor warrants that they had not employed or retained any company or person, other than a bona fide employee working solely for the Contractor, to solicit or secure this contract, and that they have not paid or agreed to pay any company or person, other than a bona fide employee working solely for the

Contractor, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this contract. For breach or violation of this warranty, the City shall have the right to annul this contract without liability, or, in its discretion, to deduct from the contract price or consideration, or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gifts, or contingent fee.

25. Delays.

That the Contractor shall not be liable for delays resulting from causes beyond the reasonable control of the Contractor; that the Contractor has made no warranties, expressed or implied, which are not expressly set forth in this contract; and that under no circumstances will the Contractor be liable for indirect or consequential damages.

26. Amendments.

This contract may not be modified, changed or altered by any oral promise or statement by whosoever made; nor shall any modification of it be binding upon the City until such written modification shall have been approved in writing by an authorized officer of the City. Contractor acknowledges that the City may not be responsible for paying for changes or modifications that were not properly authorized.

27. Governing Law.

The contract shall be governed by the laws of the State of Missouri. The courts of the State of Missouri shall have jurisdiction over any dispute which arises under this contract, and each of the parties shall submit and hereby consents to such courts exercise of jurisdiction. In any successful action by the City to enforce this contract, the City shall be entitled to recover its attorney's fees and expenses incurred in such action.

28. Notices.

All notices required or permitted hereinunder and required to be in writing may be given by first class mail addressed to the City of Jefferson Department of Law, 320 East McCarty, Jefferson City, Missouri, 65101, and Bartlett and West, Inc at 601 Monroe St, Suite 201, Jefferson City, MO 65101. The date and delivery of any notice shall be the date falling on the second full day after the day of its mailing.

If to the City:
City of Jefferson
Department of Law
320 East McCarty Street
Jefferson City, Missouri, 65101

If to the Contractor:
Bartlett & West, Inc.
Austin Johnson
601 Monroe St, Suite 201
Jefferson City, Missouri 65101

[*Signatures to Follow on Next Page*]

CITY OF JEFFERSON, MISSOURI

Mayor
Date: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

BARTLETT AND WEST, INC.

Title: Project Manager
Date: 12/6/2022

ATTEST:

Title: Contract Administrator

Bartlett & West
1719 Southridge Drive, Suite 100
Jefferson City, MO 65109-4000
ph (573) 634-3181
www.bartlettwest.com

EXHIBIT A

SCOPE OF WORK

SOUTH BROOKS DRIVE IMPROVEMENTS – PHASE 3

CITY OF JEFFERSON, MISSOURI
BARTLETT & WEST PROJECT NUMBER: 15937.113

Background

The purpose of this task order is to provide services to assist the City of Jefferson (CLIENT) with completing sanitary sewer collection improvements to address capacity issues and conflicts with new storm sewer along South Brooks Drive and Jasper Lane. The proposed project will replace sanitary lines that are in conflict with the proposed stormwater improvements project which Cole County is currently designing in the area. For these replacement areas, some sanitary lines may be increased in size to address capacity concerns in the neighborhood. The project will include additional topographic and boundary survey (beyond the limits provided by the stormwater project).

The general limits of the lines to be replaced as part of this work are shown in figure 1 below:

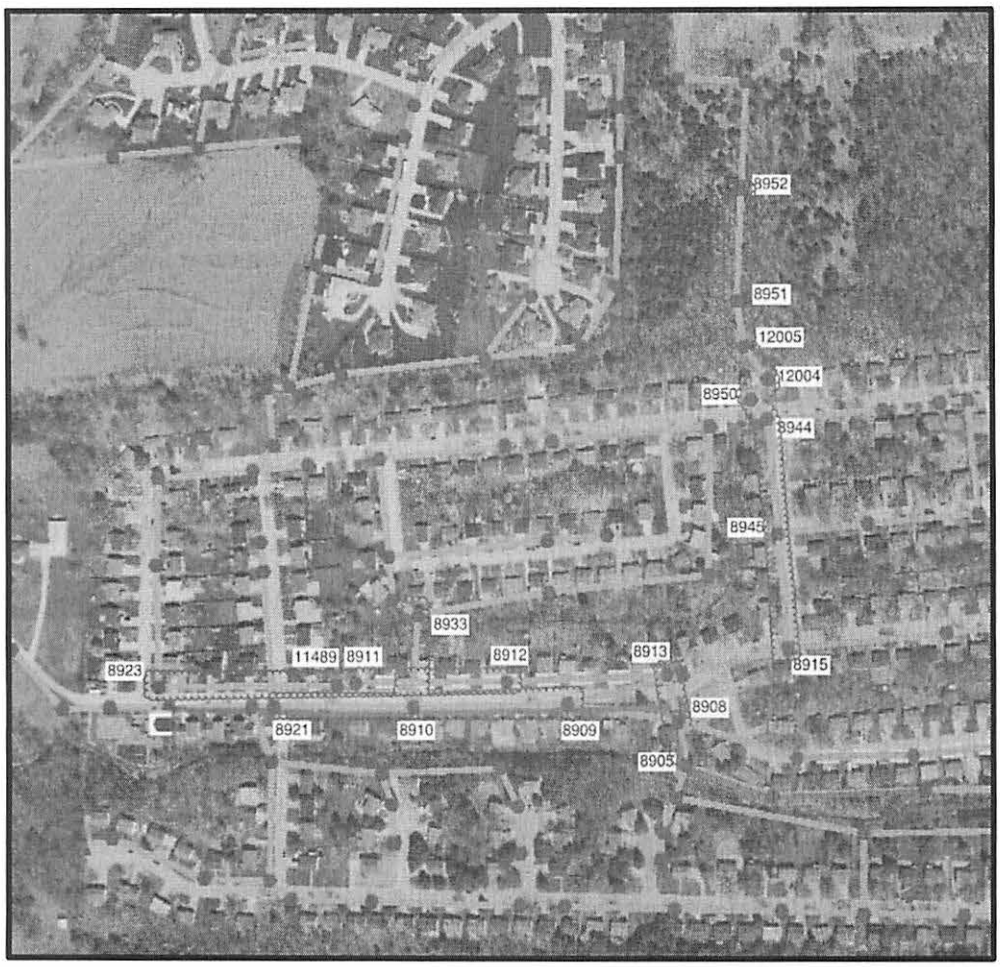


Figure 1

Scope of Work

The Consultant will perform the following tasks in relation to the project.

1. Project Scoping
    a. Initial coordination with CLIENT to develop the scope, fee, schedule, and contract.

2. Project Management
    a. Administration of contract, invoices, and project documentation.
    b. Coordination with CLIENT during design
    c. Internal team meetings
    d. Data acquisition – prepare list of data needed and coordinate with CLIENT to gather data

3. Funding Assistance
    a. Coordination with Mid-MO RPC and Cole County regarding requirements of CDBG grant
    b. Incorporation of grant-specific documents into contract documents

4. Topographic and Property Surveys

a. Property research and boundary survey
b. Missouri one-call coordination to mark location of underground utilities
c. Setting project control points and topographic survey of project sites
d. Property base mapping
e. Topographic survey base mapping
f. Surveying Equipment and supplies: GPS Equipment, staking laths, and staking pins

5. Wastewater Collection Gravity Sewer Design & Specifications
    a. Field walkthrough to conceptual alignments of proposed gravity sewer replacements
    b. Cover Sheet
    c. Layout sheet showing locations of sanitary sewer main construction sheets
    d. Sanitary sewer plan & profile design - assumes design of approximately 3,000 LF of proposed sanitary sewer for the following replacement line segments (approximately 6 sheets at 20 scale):
        i. MH 8945 to MH 8944
        ii. MH 8945 to MH 8915
        iii. MH 8910 to MH 8921
        iv. MH 8909 to MH 8910
        v. MH 8905 to MH 8908
        vi. MH 8908 to MH 8913
        vii. MH 8923 to MH 11489
        viii. MH 11489 to MH 8911
        ix. MH 8911 to MH 8912
        x. MH 8952 to MH 8951
        xi. MH 8951 to MH 12005
        xii. MH 12005 to MH 12004
        xiii. MH 12004 to MH 8950
        xiv. MH 8950 to MH 8944
        xv. MH 8933 to MH 8910
    e. Sewer main construction details sheets
    f. Erosion control sheets
    g. QA/QC review of plan set
    h. Develop final set of project technical specifications using CLIENT's standard specifications with any additional technical specifications as needed
    i. Meeting with CLIENT to review final plans and specifications
    j. Revisions to plans/specifications based on comments received from CLIENT and resubmittal to CLIENT for approval to submit to MoDNR
    k. Preparation of final plan set and submittal to CLIENT for bidding and MoDNR submittal

6. Bidding Phase Services
    a. Compilation of bid-ready documents
    b. Quantity takeoff and preparation of bid table
    c. Prepare opinion of probable construction cost based on bid-ready plan set
    d. Prepare for and assist with pre-bid meeting for prospective bidders
    e. Address bidder questions regarding the plans and contract documents

f. Prepare and issue contract addenda and provide supplemental information or clarification, as appropriate, to interpret, clarify or expand the bidding documents to all prospective bidders during the bidding process
g. Attend the bid opening meeting, prepare the bid tabulation sheet, assist Client in evaluating bids, and produce recommendation of award

7. Construction Administration
    a. Prepare for and assist with pre-construction meeting for awarded Contractor
    b. Review contractor-submitted shop drawings and material submittals for compliance with Contract documents as requested by the City (anticipated to be for pipe materials, manholes, rings/lids, road materials, and backfill materials)
    c. Respond to Contractor RFIs with respect to design intent
    d. Administration of pay requests and change orders as requested by Client
    e. Conduct periodic site visits to monitor work completion. Assumes 1 site visit per month for 4 months.
    f. Conduct final inspection to assist City with punch-list development
    g. Compile record drawings showing alterations to bid drawings. Mark-ups of alterations to be provided by the City.

<u>Services Not Included with this Task Order</u>

1. Design of any line segments beyond those listed in scope item 4.d.i through 4.d.xiv.
2. Unforeseen permitting fees not included in the scope of work
3. Preparation of easement documents
4. Easement acquisition assistance and coordination with property owners. Assumes owner will handle all necessary easement acquisition and coordination tasks.
5. Attendance of Client Board of Aldermen meetings
6. Attendance of Public Meetings
7. MoDNR Construction Permit Submittal
8. Permitting fees of any kind (assumes Client will pay all required permitting fees)
9. Roadway right-of-way permitting
10. Preparation of a facility plan or engineering report
11. Geotechnical Engineering
12. Preparing and printing of O&M manuals
13. Preparation of front-end contract documents
14. Environmental assessments or reports
15. Archeological or cultural evaluations of the project site.
16. Materials testing of any kind during construction – contractor shall be responsible for all materials testing.
17. Construction staking
18. Full-time construction observation
19. Issuing advertisement for bidding including advertising fees
20. Bidding the project more than once
21. Value engineering following bidding. If construction bids come in over budget, value engineering can be provided for additional fee.

22. Surveying for as-built record drawings.
23. Services resulting from significant changes in the scope, extent, or character of the project.
24. Serving as a Consultant or witness for the Client in any litigation, arbitration, and/or other dispute resolution process related to the project.
25. Project closeout administration
26. Inspections of any kind during the 1-year warranty period. If Client desires final 11-month warranty inspection, these services can be provided for an additional fee.

Client Responsibilities

1. Provide any applicable project data requested by Consultant
2. Provide input for design decisions
3. Timely reviews of draft documents

Bartlett & West, Inc.

EXHIBIT B

Cost Sheet

City of Jefferson, Missouri Westview Sewer Improvements Project No.: XXXXX.XXX	PM / Engineer VIII		PM / Engineer V		Surveyor VIII		Engineer V		Engineer III		Engineer I		Eng. Tech. VIII		Survey Tech VI		Survey Tech III		Labor	Trips		Printing or	Expenses	Total
	Hrs $195.00	Subtotal	Hrs $157.00	Subtotal	Hrs $167.00	Subtotal	Hrs $157.00	Subtotal	Hrs $133.00	Subtotal	Hrs $109.00	Subtotal	Hrs $134.00	Subtotal	Hrs $108.00	Subtotal	Hrs $75.00	Subtotal	Subtotal Costs	# of Trips $25.00	Subtotal	Misc/Other Costs	Subtotal Costs	Project Costs
1. Project Scoping																								**$846.00**
a. Initial coordination with CLIENT to develop the scope, fee, schedule, and contract.		$0.00	2.0	$314.00		$0.00		$0.00	4.0	$532.00		$0.00		$0.00		$0.00		$0.00	$846.00		$0.00		$0.00	$846.00
2. Project Management																								**$4,619.00**
a. Administration of contract, invoices, and project documentation.	6.0	$1,170.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	$1,170.00		$0.00		$0.00	$1,170.00
b. Coordination with CLIENT during design		$0.00	4.0	$628.00		$0.00		$0.00	2.0	$266.00		$0.00		$0.00		$0.00		$0.00	$894.00		$0.00		$0.00	$894.00
c. Internal team meetings		$0.00		$0.00		$0.00	4.0	$628.00	4.0	$532.00	4.0	$436.00	4.0	$536.00		$0.00		$0.00	$2,132.00		$0.00		$0.00	$2,132.00
d. Data acquisition – prepare list of data needed and coordinate with Client to gather data		$0.00	1.0	$157.00		$0.00		$0.00	2.0	$266.00		$0.00		$0.00		$0.00		$0.00	$423.00		$0.00		$0.00	$423.00
3. Funding Assistance																								**$5,512.00**
a. Coordination with Mid-MO RPC and Cole County regarding requirements of CDBG grant		$0.00	4.0	$628.00		$0.00		$0.00	16.0	$2,128.00		$0.00		$0.00		$0.00		$0.00	$2,756.00		$0.00		$0.00	$2,756.00
b. Incorporation of grant-specific documents into contract documents		$0.00	4.0	$628.00		$0.00		$0.00	16.0	$2,128.00		$0.00		$0.00		$0.00		$0.00	$2,756.00		$0.00		$0.00	$2,756.00
4. Topographic and Property Surveys																								**$19,742.00**
a. Office Planning		$0.00		$0.00	4.0	$668.00		$0.00		$0.00		$0.00		$0.00	2.0	$216.00	2.0	$150.00	$1,034.00		$0.00	$200.00	$200.00	$1,234.00
b. Survey Research		$0.00		$0.00	8.0	$1,336.00		$0.00		$0.00		$0.00		$0.00	8.0	$864.00		$0.00	$2,200.00		$0.00		$0.00	$2,200.00
c. Topo/Utilities/Base Mapping		$0.00		$0.00	4.0	$668.00		$0.00		$0.00		$0.00		$0.00	40.0	$4,320.00	64.0	$4,800.00	$9,788.00	3.0	$75.00	$1,000.00	$1,075.00	$10,863.00
d. Boundary		$0.00		$0.00	20.0	$3,340.00		$0.00		$0.00		$0.00		$0.00	10.0	$1,080.00	10.0	$750.00	$5,170.00	1.0	$25.00	$250.00	$275.00	$5,445.00
5. Wastewater Collection Gravity Sewer Design & Specifications																								**$28,642.00**
a. Field walkthrough to conceptual alignments of proposed gravity sewer replacements		$0.00		$0.00		$0.00		$0.00	6.0	$798.00	6.0	$654.00		$0.00		$0.00		$0.00	$1,452.00		$0.00		$0.00	$1,452.00
b. Cover Sheet		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	2.0	$268.00		$0.00		$0.00	$268.00		$0.00		$0.00	$268.00
c. Layout sheet showing locations of sanitary sewer main construction sheets		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	4.0	$536.00		$0.00		$0.00	$536.00		$0.00		$0.00	$536.00
d. Sanitary sewer plan & profile design - assumes design of approximately 3,000 LF of proposed sanitary sewer for the followng replacement line segments (approximately 6 sheets at 20 scale): MH 8945 to MH 8944 iMH 8945 to MH 8915 iiMH 8910 to MH 8921 iiiMH 8909 to MH 8910 ivMH 8905 to MH 8908 vMH 8908 to MH 8913 viMH 8923 to MH 11489 viiMH 11489 to MH 8911 viiiMH 8911 to MH 8912 ixMH 8952 to MH 8951 xMH 8951 to MH 12005 xiMH 12005 to MH 12004 xiiMH 12004 to MH 8950 xiiiMH 8950 to MH 8944 xivMH 8933 to MH 8910		$0.00		$0.00		$0.00		$0.00	16.0	$2,128.00	24.0	$2,616.00	60.0	$8,040.00		$0.00		$0.00	$12,784.00		$0.00		$0.00	$12,784.00
e. Sewer main construction details sheets		$0.00		$0.00		$0.00		$0.00		$0.00	2.0	$218.00	8.0	$1,072.00		$0.00		$0.00	$1,290.00		$0.00		$0.00	$1,290.00
f. Erosion control sheets		$0.00		$0.00		$0.00		$0.00		$0.00	2.0	$218.00	4.0	$536.00		$0.00		$0.00	$754.00		$0.00		$0.00	$754.00
g. QA/QC review of plan set		$0.00		$0.00		$0.00	12.0	$1,884.00	8.0	$1,064.00		$0.00		$0.00		$0.00		$0.00	$2,948.00		$0.00		$0.00	$2,948.00
h. Develop final set of project technical specifications using CLIENT's standard specifications with any additional technical specifications as needed		$0.00		$0.00		$0.00		$0.00	16.0	$2,128.00		$0.00		$0.00		$0.00		$0.00	$2,128.00		$0.00		$0.00	$2,128.00
i. Meeting with CLIENT to review final plans and specifications		$0.00	6.0	$942.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	$942.00		$0.00		$0.00	$942.00
j. Revisions to plans/specifications based on comments received from CLIENT and resubmittal to CLIENT for approval to submit to MoDNR		$0.00		$0.00		$0.00	4.0	$628.00	8.0	$1,064.00		$0.00	16.0	$2,144.00		$0.00		$0.00	$3,836.00		$0.00		$0.00	$3,836.00
k. Preparation of final plan set and submittal to Client for bidding and MoDNR submittal		$0.00		$0.00		$0.00		$0.00	4.0	$532.00		$0.00	8.0	$1,072.00		$0.00		$0.00	$1,604.00		$0.00		$0.00	$1,604.00
6. Bidding Phase Services																								**$6,881.00**
a. Compilation of bid-ready documents		$0.00		$0.00		$0.00		$0.00		$0.00	8.0	$872.00		$0.00		$0.00		$0.00	$872.00		$0.00		$0.00	$872.00
b. Quantity takeoff and preparation of bid table		$0.00		$0.00		$0.00		$0.00	2.0	$266.00	8.0	$872.00		$0.00		$0.00		$0.00	$1,138.00		$0.00		$0.00	$1,138.00
c. Prepare opinion of probable construction cost based on bid-ready plan set		$0.00		$0.00		$0.00	1.0	$157.00	2.0	$266.00	4.0	$436.00		$0.00		$0.00		$0.00	$859.00		$0.00		$0.00	$859.00
d. Prepare for and assist with pre-bid meeting for prospective bidders		$0.00	6.0	$942.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	$942.00		$0.00		$0.00	$942.00
e. Address bidder questions regarding the plans and contract documents		$0.00		$0.00		$0.00		$0.00	8.0	$1,064.00		$0.00		$0.00		$0.00		$0.00	$1,064.00		$0.00		$0.00	$1,064.00
f. Prepare and issue contract addenda and provide supplemental information or clarification, as appropriate, to interpret, clarify or expand the bidding documents to all prospective bidders during the bidding process		$0.00		$0.00		$0.00		$0.00	8.0	$1,064.00		$0.00		$0.00		$0.00		$0.00	$1,064.00		$0.00		$0.00	$1,064.00
g. Attend the bid opening meeting, prepare the bid tabulation sheet, assist Client in evaluating bids, and produce recommendation of award		$0.00	6.0	$942.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	$942.00		$0.00		$0.00	$942.00
7. Construction Administration																								**$14,194.00**
a. Prepare for and assist with pre-construction meeting for awarded Contractor		$0.00	6.0	$942.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00		$0.00	$942.00		$0.00		$0.00	$942.00

City of Jefferson, Missouri Westview Sewer Improvements Project No.: XXXXX.XXX	PM / Engineer VIII		PM / Engineer V		Surveyor VIII		Engineer V		Engineer III		Engineer I		Eng. Tech. VIII		Survey Tech VI		Survey Tech III		Labor	Trips		Printing or	Expenses	Total
	Hrs $195.00	Subtotal	Hrs $157.00	Subtotal	Hrs $167.00	Subtotal	Hrs $157.00	Subtotal	Hrs $133.00	Subtotal	Hrs $109.00	Subtotal	Hrs $134.00	Subtotal	Hrs $108.00	Subtotal	Hrs $75.00	Subtotal	Subtotal Costs	# of Trips $25.00	Subtotal	Misc/Other Costs	Subtotal Costs	Project Costs
b. Review contractor-submitted shop drawings and material submittals for compliance with Contract documents as requested by the City (anticipated to be for pipe materials, manholes, rings/lids, road materials, and backfill materials)		$0.00		$0.00		$0.00		$0.00	4.0	$532.00	24.0	$2,616.00		$0.00		$0.00		$0.00	$3,148.00		$0.00		$0.00	$3,148.00
c. Respond to Contractor RFIs with respect to design intent		$0.00		$0.00		$0.00		$0.00	2.0	$266.00	8.0	$872.00		$0.00		$0.00		$0.00	$1,138.00		$0.00		$0.00	$1,138.00
d. Administration of pay requests and change orders as requested by Client		$0.00		$0.00		$0.00		$0.00	2.0	$266.00	8.0	$872.00		$0.00		$0.00		$0.00	$1,138.00		$0.00		$0.00	$1,138.00
e. Conduct periodic site visits to monitor work completion. Assumes 1 site visits per month for 4 months.		$0.00		$0.00		$0.00		$0.00		$0.00	8.0	$872.00		$0.00		$0.00		$0.00	$872.00		$0.00		$0.00	$872.00
f. Conduct final inspection to assist City with punch-list development		$0.00		$0.00		$0.00		$0.00	8.0	$1,064.00		$0.00		$0.00		$0.00		$0.00	$1,064.00		$0.00		$0.00	$1,064.00
g. Compile record drawings showing alterations to bid drawings. Mark-ups of alterations to be provided by the City.		$0.00		$0.00		$0.00		$0.00	4.0	$532.00		$0.00	40.0	$5,360.00		$0.00		$0.00	$5,892.00		$0.00		$0.00	$5,892.00
TOTALS	6.0	1170.0	39.0	6123.0	36.0	6012.0	21.0	3297.0	142.0	18886.0	106.0	11554.0	146.0	19564.0	60.0	6480.0	76.0	5700.0	78786.0	4.0	100.0	1450.0	1550.0	$80,336.00

BILL SUMMARY

BILL NO: 2022-089

SPONSOR: Councilmember Wiseman

SUBJECT: Amendment 3 – Adult Use Marijuana Sales Tax

DATE INTRODUCED: December 19, 2022

DEPARTMENT DIRECTOR(S): _____

CITY ADMINISTRATOR: _____

Staff Recommendation: Approve.

Summary: Approves 3% retail sales revenue of adult use marijuana sold in the City of Jefferson subject to the approval by the voters of Jefferson City at the General Municipal Election on April 4, 2023.

Origin of Request:

Department Responsible: Law

PERSON RESPONSIBLE: RYAN MOEHLMAN

Background Information: On November 8, 2022, the electors of the State of Missouri approved Amendment 3 to the Missouri Constitution enacting section 2 of Article XIV of the Missouri Constitution effective December 8, 2022. This ordinance calls for a question asking the voters of the City of Jefferson whether to approve a 3% sales tax on all sales of non-medicinal adult use marijuana to be placed on the April 4, 2023 Municipal Election ballot.

FISCAL INFORMATION: Industry representatives provided the Missouri Municipal League the following information:

> There are currently about 190 dispensaries open for business, so the average dispensary is making right at $184k monthly. There will be some more dispensaries operational by this time next year, which will probably put the number around 205. With that number of dispensaries and statewide monthly revenues at $87.5m, the average dispensary will gross $427k each month. A 3% tax on those sales will generate $12,805 each month and $153,660 annually. That is in addition to regular local sales taxes, and we expect that the market will continue to grow for at least the next few years.

These numbers are an estimate based on current medicinal marijuana sales and are likely subject to wide variance amongst markets and locations.

BILL NO. 2022-089

SPONSORED BY Councilmember Wiseman

ORDINANCE NO._____

AN ORDINANCE IMPOSING A SALES TAX AT A RATE OF THREE PERCENT ON ALL TANGIBLE PERSONAL PROPERTY RETAIL SALES OF ADULT USE MARIJUANA SOLD WITHIN THE CITY OF JEFFERSON, MISSOURI, PURSUANT TO ARTICLE XIV, SECTION 2.6(5) OF THE MISSOURI CONSTITUTION SUBJECT TO THE APPROVAL BY THE VOTERS OF THE CITY AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON APRIL 4, 2023; DESIGNATING THE FORM OF BALLOT; AND DIRECTING THE CITY CLERK TO PROVIDE NOTICE OF SAID ELECTION.

WHEREAS, on November 8, 2022, the electors of the State of Missouri approved Amendment 3 to the Missouri Constitution enacting Section 2 of Article XIV of the Missouri Constitution effective December 8, 2022; and

WHEREAS, the newly enacted Article XIV, section 2.6(5) of the Missouri Constitution authorizes the City of Jefferson, Missouri to impose, by ordinance, an additional sales tax in amount not to exceed three percent (3%) on all tangible personal property retail sales of adult use marijuana sold in such political subdivision subject to approval by voters of the City of Jefferson, Missouri; and

WHEREAS, the City Council finds that it is in the best interests of the citizens of the City of Jefferson, Missouri to impose a sales tax of three percent on all tangible personal property retail sales of adult use marijuana sold in the City of Jefferson, Missouri and to submit the same to the voters of the City for approval by a majority of those voting at the general municipal election to be held on April 4, 2023.

BE IT ENACTED BY THE COUNCIL OF THE CITY OF JEFFERSON, MISSOURI, AS FOLLOWS:

Section 1. ADULT USE MARIJUANA SALES TAX**.** A sales tax at the rate of three percent on all tangible personal property retail sales of adult use marijuana sold in the City of Jefferson, Missouri, as authorized by Article XIV, section 2.6(5) of the Missouri Constitution, is hereby imposed. The tax imposed hereunder shall be in addition to any and all other sales taxes allowed by law.

Section 2. EFFECTIVE DATE. The sales tax imposed by this Ordinance shall not be effective unless approved by a majority of the votes cast by the qualified voters voting thereon at the General Municipal Election to be held on April 4, 2023, at which election a proposal to authorize the City Council of the City of Jefferson, Missouri, to impose the tax herein provided for shall be submitted to the voters of the City of Jefferson.

Section 3. FORM OF BALLOT. The ballot to be used in such election shall contain the following question:

Question 1

Shall the City of Jefferson, Missouri, impose a sales tax of three percent (3%) on all retail sales of non-medicinal adult use marijuana sold in the City of Jefferson, Missouri?

☐ Yes ☐ No

Section 4. NOTICE OF ELECTION. The City Clerk is hereby directed to notify the Election Authorities of Cole County and Callaway County, Missouri, of the enactment of this Ordinance no later than 5:00 p.m. on Tuesday, January 24, 2023, in accordance with the Comprehensive Election Act, Chapter 115 of the Revised Statutes of Missouri, as amended

Passed:_____ Approved:_____

_____ _____

Presiding Officer Mayor Carrie Tergin

ATTEST: APPROVED AS TO FORM:

_____ _____

City Clerk City Attorney

BILL SUMMARY

BILL NO: 2022-082

SPONSOR: Councilmember Fitzwater

SUBJECT: Grant Amendment #2 Between the Missouri Highways and Transportation Commission and the City of Jefferson for the Purpose of an Apron Maintenance Project for the Jefferson City Memorial Airport

DATE INTRODUCED: December 5, 2022

DEPARTMENT DIRECTOR(S): _____

CITY ADMINISTRATOR: _____

Staff Recommendation: Approve.

Summary: This grant amendment's purpose is to extend the time for the grant agreement.

Origin of Request: City Staff

Department Responsible: Department of Public Works

PERSON RESPONSIBLE: MATT MORASCH, P.E./Britt E. Smith, P.E.

Background Information: This grant amendment would extend the time frame of the grant to January 2023. All work for this project has been completed and we have submitted the appropriate paperwork for reimbursement. However, the contractor's final completion date and closeout paperwork was finished after the grant's previous expiration date. When executed, this amendment would permit the final reimbursement to the City.

Fiscal Information: The grant funds 90% for some portion of the project and 100% of the remainder. The total grant amount is $559,284.

BILL NO. 2022-082

SPONSORED BY Councilmember Fitzwater

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE MAYOR AND CLERK TO EXECUTE A GRANT AMENDMENT BETWEEN THE CITY OF JEFFERSON AND THE MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION FOR THE PURPOSE OF AN APRON MAINTENANCE PROJECT FOR THE JEFFERSON CITY MEMORIAL AIRPORT.

BE IT ENACTED BY THE COUNCIL OF THE CITY OF JEFFERSON, MISSOURI, AS FOLLOWS:

Section 1. The Mayor and City Clerk are hereby authorized to execute a grant amendment with the Missouri Highways and Transportation Commission for the purpose of an apron maintenance project for the Jefferson City Memorial Airport.

Section 2. This agreement shall be substantially the same in form and content as Exhibit A attached hereto.

Section 3. This Ordinance shall be in full force and effect from and after the date of its passage and approval.

Passed:_____ Approved:_____

_____ _____

Presiding Officer Mayor Carrie Tergin

ATTEST: APPROVED AS TO FORM:

_____ _____

City Clerk City Attorney

EXHIBIT A

CCO Form: MO18
Approved: 05/94 (MLH)
Revised: 03/17 (MWH)
Modified:

Sponsor: City of Jefferson
Project No.: 20-040B-1

CFDA Number: CFDA #20.106
CFDA Title: Airport Improvement Program
Federal Agency: Federal Aviation Administration, Department of Transportation

MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION
AMENDMENT TO STATE BLOCK GRANT AGREEMENT

AMENDMENT #2

THIS AGREEMENT AMENDMENT is entered into by the Missouri Highways and Transportation Commission (hereinafter, "Commission") and the City of Jefferson (hereinafter, "Sponsor").

WITNESSETH:

WHEREAS, the parties entered into an Agreement executed by the Sponsor on September 9, 2020, and executed by the Commission on October 15, 2020, (hereinafter, "Original Agreement") under which the Commission granted the sum not to exceed One Hundred Forty-Three Thousand Five Hundred Eighty-Six Dollars ($143,586) to the Sponsor to assist with Apron Rehabilitation and Remarking; and

WHEREAS, the parties entered into an Amendment #1 to the Original Agreement executed by the Sponsor on June 2, 2021, and executed by the Commission on June 7, 2021, (hereinafter, "Amendment #1") under which the Commission granted an additional sum not to exceed Four Hundred Fifteen Thousand Six Hundred Ninety-Eight Dollars ($415,698) to the Sponsor to assist with Apron Rehabilitation and Remarking and extended the project time period from December 31, 2021 to July 1, 2022; and

WHEREAS, the parties wish to extend the project time period to allow for completion of the work.

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

(1) PROJECT TIME PERIOD: Based upon the revised project schedule the project time period of July 1, 2022, will be extended to January 30, 2023, to allow for completion of the work. Paragraph (1) of Amendment #1 is hereby amended accordingly.

(2) ADDITIONAL PROVISIONS:

(A) The project will be carried out in accordance with the assurances (Exhibit 1) given by the Sponsor to the Commission as specified in the Original Agreement.

(B) This Amendment shall expire and the Commission shall not be obligated to pay any part of the costs of the project unless this grant amendment has been executed by the Sponsor on or before December 31, 2022, or such subsequent date as may be prescribed in writing by the Commission.

(C) All other terms and conditions of the Original Agreement entered into between the parties shall remain in full force and effect.

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

Executed by the Sponsor this ___ day of _____, 20___.

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

MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION

_____

Title _____

_____
Secretary to the Commission

Approved as to Form:

_____
Commission Counsel

CITY OF JEFFERSON

By _____

Title Mayor

By _____

Title City Clerk

Approved as to Form:

_____

Title City Attorney

Ordinance No._____
(if applicable)

CERTIFICATE OF SPONSOR'S ATTORNEY

I, Ryan Moehlman, acting as attorney for the Sponsor do hereby certify that in my opinion the Sponsor is empowered to enter into the foregoing grant Agreement under the laws of the State of Missouri. Further, I have examined the foregoing grant Agreement and the actions taken by said Sponsor and Sponsor's official representative have been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said state and the Airport and Airway Improvement Act of 1982, as amended. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said grant constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

CITY OF JEFFERSON

Ryan Moehlman

Name of Sponsor's Attorney (typed)

Signature of Sponsor's Attorney

Date 11-30-22

BILL SUMMARY

BILL NO: 2022-084

SPONSOR: Councilmember Fitzwater

SUBJECT: Approving a Plan for an Industrial Development Project for JCMG and Authorizing the City to Issue Taxable Industrial Development Revenue Bonds

DATE INTRODUCED: December 5, 2022

DEPARTMENT DIRECTOR(S): _____

CITY ADMINISTRATOR: _____

Staff Recommendation: Approve.

Summary: Passage of this bill will approve a plan for industrial development project for JCMG and authorize the City to issue taxable industrial development revenue bonds.

Origin of Request: JCMG

Department Responsible: Law

PERSON RESPONSIBLE: RYAN MOEHLMAN

Background Information: This Ordinance authorizes the City to issue (1) the Taxable Industrial Development Revenue Bonds (JCMG – Real Property Project), Series 2022, in a maximum principal amount not to exceed $15,700,000 (the "Real Property Bonds") and (2) the Taxable Industrial Development Revenue Bonds (JCMG – Personal Property Project), Series 2022, in a maximum principal amount not to exceed $2,100,000 (the "Personal Property Bonds" and, together with the Real Property Bonds, the "Bonds"), under Chapter 100 of the Revised Statutes of Missouri, as amended ("Chapter 100"), and approves the Chapter 100 Plan (and other documents) relating to an industrial development project (the "Project") for Jefferson City Medical Group, P.C. ("JCMG PC") consisting of (a) the construction of the new stand-alone outpatient surgery center (the "Project Improvements") situated on an approximately 6.85 acre site located at 3520 West Edgewood Drive in the City (the "Project Site" and, together with the Project Improvements, the "Real Property"), and (b) the acquisition and installation of certain equipment and other personal property within the Project Improvements (the "Project Equipment"). The Real Property is currently owned by JCMG Investment, LLC ("JCMG Investment") which is an entity affiliated with JCMG PC that was created solely to own

the Real Property. JCMG Investment currently subleases and will continue to sublease the Real Property to JCMG PC. The Project Equipment is currently owned by JCMG PC.

The Bonds are being issued as a mechanism to provide real and personal property tax abatement for the Real Property and Project Equipment (as further described below). The issuance of the Bonds and approval of the Chapter 100 Plan for JCMG PC's Project was previously contemplated by Resolution 2020-26 adopted by the City Council on December 21, 2020.

On the day of closing of the Bonds (expected to occur the week of December 26th), JCMG Investment (as the current owner of the Real Property) will convey fee title to the Real Property to the City pursuant to a Special Warranty Deed between JCMG Investment, as grantor, and the City, as grantee, and JCMG PC (as current owner of the Project Equipment) will convey title to the Project Equipment to the City pursuant to a Bill of Sale executed by JCMG PC. As a result of the City's ownership of the Real Property and Project Equipment, the Real Property and Project Equipment will be exempt from real and personal property taxation under Missouri law. The City will simultaneously (1) lease the Real Property back to JCMG Investment (who will sublease the Real Property to JCMG PC) under a Real Property Lease Agreement (the "Real Property Lease Agreement") between the City, as lessor, and JCMG Investment, as lessee, and (2) lease the Project Equipment back to JCMG PC under a Personal Property Lease Agreement (the "Personal Property Lease Agreement" and, together with the Real Property Lease Agreement, the "Lease Agreements") between the City, as lessor, and JCMG PC, as lessee (each Lease Agreement is further referenced below and approved by the Ordinance).

In accordance with the Performance Agreement (the "Performance Agreement"), between the City, JCMG PC and JCMG Investment (referenced below and approved by the Ordinance), JCMG PC and JCMG Investment (collectively, the "Companies") will receive real property tax abatement on the Real Property and personal property tax abatement on the Project Equipment for a period of 10 years, beginning in year 2023 an ending in year 2032, as follows: (1) 75% real and personal property tax abatement in calendar years 2023 through 2027, and (2) 50% real and personal property tax abatement in calendar years 2028 through 2032. Under the Performance Agreement, during each year of the 10-year period of real and personal property tax abatement for the Real Property and Project Equipment, the Companies will be required to make payments in lieu of taxes ("PILOT Payments") with respect to the Real Property and the Project Equipment as follows: (a) in years 2023 through 2027 (the first 5 years of the 10-year tax abatement period), a PILOT Payment equal to 25% of the real and personal property taxes that would otherwise be due with respect to the Real Property and Project Equipment, but for the City's ownership of the Real Property and Project Equipment and (b) in years 2028 through 2032 (the remaining 5 years of the 10-year tax abatement period), a PILOT Payment equal to 50% of the real and personal property taxes that would otherwise be due with respect to the Real Property and Project Equipment, but for the

City's ownership of the Real Property and Project Equipment. Pursuant to the Performance Agreement, in order for the Companies to receive the full-benefit of the real and personal property tax abatement in each year of the 10-year tax abatement period, JCMG PC will be required to maintain at least 20 jobs at the Project Site, as further described in the Performance Agreement.

The Real Property Bonds will be purchased by JCMG Investment and will be payable solely out of the payments, revenues and receipts derived from the lease of the Real Property by the City, as lessor, to JCMG Investment, as lessee, under the Real Property Lease Agreement (JCMG Investment will sublease the Real Property to JCMG PC). The Personal Property Bonds will be purchased by JCMG PC and will be payable solely out of the payments, revenues and receipts derived from the lease of the Project Equipment by the City, as lessor, to JCMG PC, as lessee, under the Personal Property Lease Agreement.

Below is a brief summary of the following documents relating to this Chapter 100 transaction that are approved by the Ordinance:

- **Chapter 100 Plan and Costs-Benefit-Analysis**: This Chapter 100 Plan and Cost-Benefit-Analysis (the "Plan") for JCMG PC's Project was provided to each of the taxing jurisdictions that levy a property tax on the Project Site where the Project Improvements and Project Equipment are located. The Plan provides the details of the primary terms of this Chapter 100 transaction, including the projected value of the real and personal property tax abatement the Companies are expected to receive with respect to the Real Property and the Project Equipment and the PILOT Payments relating to the Real Property and Project Equipment that the Companies will be required to make to each taxing jurisdictions. The Plan also provides notice of the City's intent to formally approve the Plan at the December 19, 2022, City Council meeting.

- **Real Property Trust Indenture**: The Real Property Trust Indenture (the "Real Property Indenture"), provides the terms for the issuance and repayment of the Real Property Bonds. The City will issue the Real Property Bonds pursuant to the Real Property Indenture, which creates a contract between the City and BOKF, N.A., as trustee (the "Trustee"), for the benefit of JCMG Investment, as the sole purchaser and owner of the Real Property Bonds. Under the Real Property Indenture, the City assigns the administration of the mechanics of the Real Property Bond issue to the Trustee. The Trustee is responsible for maintaining records of the principal amount of the Real Property Bonds which are funded up to an amount equal to the costs of acquiring the Project Site and constructing the Project Improvements (i.e. the Real Property) previously paid by JCMG Investment or JCMG PC (not to exceed $15,700,000 which is the maximum principal amount of the Real Property Bonds). JCMG Investment purchases the Real Property Bonds in a principal amount equal to the costs relating to

purchasing and constructing the Real Property it has already paid; however, JCMG Investment also asks the Trustee to reimburse JCMG Investment from proceeds of the Real Property Bonds for the costs of Real Property it has already paid. Because the purchase price of the Real Property Bonds is equal to the amount for which JCMG Investment is seeking reimbursement, these are offsetting transactions, eliminating the need for JCMG Investment to wire the purchase price to the Trustee only to receive the same amount back from the Trustee as reimbursement.

- **Personal Property Trust Indenture**: The Personal Property Trust Indenture (the "Personal Property Indenture"), provides the terms for the issuance and repayment of the Personal Property Bonds. The City will issue the Personal Property Bonds pursuant to the Personal Property Indenture, which creates a contract between the City and the Trustee for the benefit of JCMG PC, as the sole purchaser and owner of the Personal Property Bonds. Under the Personal Property Indenture, the City assigns the administration of the mechanics of the Personal Property Bond issue to the Trustee. The Trustee is responsible for maintaining records of the principal amount of the Personal Property Bonds which are funded up to an amount equal to the costs of acquiring and installing the Project Equipment previously paid by JCMG PC (not to exceed $2,100,000 which is the maximum principal amount of the Personal Property Bonds). JCMG PC purchases the Personal Property Bonds in a principal amount equal to the costs relating to acquiring and installing the Project Equipment it has already paid; however, JCMG PC also asks the Trustee to reimburse JCMG PC from proceeds of the Personal Property Bonds for the costs of Project Equipment it has already paid. Because the purchase price of the Personal Property Bonds is equal to the amount for which JCMG PC is seeking reimbursement, these are offsetting transactions, eliminating the need for JCMG PC to wire the purchase price to the Trustee only to receive the same amount back from the Trustee as reimbursement.

- **Real Property Lease Agreement:** Under the Real Property Lease Agreement, the City, as lessor, leases the Real Property back to JCMG Investment, as lessee (and JCMG Investment will sublease the Real Property to JCMG PC), over a term equal to the period of the real property tax abatement set forth in the Performance Agreement (years 2023 through 2032). The Real Property Lease Agreement requires JCMG Investment to make one lease payment each year on December 1st in an amount equal to debt service due on the Real Property Bonds on each December 1st. Only interest is required to be paid on the Real Property Bonds each year with the full principal amount due at maturity on December 1, 2032. Because the amount of the lease payment required to be made by JCMG Investment each December 1st is equal to the interest due on the Real Property Bonds each December 1st that is to be paid to JCMG Investment,

as the sole owner of the Real Property Bonds, these again are offsetting transactions so no actual transfer of funds will be required. At maturity of the Real Property Bonds when all principal is due, the Real Property Lease Agreement permits JCMG Investment to tender the Real Property Bonds to the Trustee in lieu of requiring a payment of principal and interest at maturity and the Trustee then cancels the Real Property Bonds.

- **Personal Property Lease Agreement:** Under the Personal Property Lease Agreement, the City, as lessor, leases the Project Equipment back to JCMG PC, as lessee, over a term equal to the period of the personal property tax abatement set forth in the Performance Agreement (years 2023 through 2032). The Personal Property Lease Agreement requires JCMG PC to make one lease payment each year on December 1st in an amount equal to debt service due on the Personal Property Bonds on each December 1st. Only interest is required to be paid on the Personal Property Bonds each year with the full principal amount due at maturity on December 1, 2032. Because the amount of the lease payment required to be made by JCMG PC each December 1st is equal to the interest due on the Personal Property Bonds each December 1st that is to be paid to JCMG PC, as the sole owner of the Personal Property Bonds, these again are offsetting transactions so no actual transfer of funds will be required. At maturity of the Personal Property Bonds when all principal is due, the Personal Property Lease Agreement permits JCMG PC to tender the Personal Property Bonds to the Trustee in lieu of requiring a payment of principal and interest at maturity and the Trustee then cancels the Personal Property Bonds.

- **Real Property Bond Purchase Agreement**: This is the document by which JCMG Investment agrees to purchase all of the Real Property Bonds from the City. Under the Real Property Bond Purchase Agreement, JCMG Investment agrees to indemnify and hold harmless the City and the Trustee against any losses, claims, damages, liabilities or expenses whatsoever to the extent caused by any violation by JCMG Investment of any federal or state securities laws in connection with the Real Property Bonds.

- **Personal Property Bond Purchase Agreement**: This is the document by which JCMG PC agrees to purchase all of the Personal Property Bonds from the City. Under the Personal Property Bond Purchase Agreement, JCMG PC agrees to indemnify and hold harmless the City and the Trustee against any losses, claims, damages, liabilities or expenses whatsoever to the extent caused by any violation by JCMG PC of any federal or state securities laws in connection with the Personal Property Bonds.

- **Performance Agreement**: The Performance Agreement sets forth the

PILOT Payments to be made by the Companies as consideration for the real and personal property tax abatement provided for the Real Property and the Project Equipment and contains the terms that JCMG PC must meet (including number of jobs required to be maintained at the Project Site) in order for the Companies to receive the benefit of the full amount of the 75% real and personal property tax abatement in years 2023 through 2027 and 50% real and personal property tax abatement in years 2028 through 2032 offered by the City and made available to the Companies under the respective Lease Agreements. It also requires the amount of the PILOT Payments to be increased to the extent the JCMG PC fails to maintain the jobs requirement in any year of the 10-year property tax abatement period (years 2023 through 2032).

- **Special Warranty Deed**: Under the Special Warranty Deed, on the closing date of the Real Property Bonds, JCMG Investment, as grantor, will convey fee title ownership of the Real Property to the City, as grantee, and, by virtue of the City's legal ownership of the Real Property, the Real Property will no longer be subject to real property taxation under Missouri law (the Real Property will be conveyed back to JCMG Investment by December 31, 2032, which is the end of the 10-year tax abatement period, or upon early termination of the Chapter 100 transaction).

BILL NO. 2022-084

SPONSORED BY Councilmember Hensley

ORDINANCE NO. _____

AN ORDINANCE APPROVING A PLAN FOR AN INDUSTRIAL DEVELOPMENT PROJECT FOR JEFFERSON CITY MEDICAL GROUP, P.C.; AUTHORIZING THE CITY OF JEFFERSON, MISSOURI, TO ISSUE ITS TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BONDS (JCMG – REAL PROPERTY PROJECT), SERIES 2022, IN A PRINCIPAL AMOUNT NOT TO EXCEED $15,700,000, AND ITS TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BONDS (JCMG – PERSONAL PROPERTY PROJECT), SERIES 2022, IN A PRINCIPAL AMOUNT NOT TO EXCEED $2,100,000 TO FINANCE THE COSTS OF SUCH PROJECT; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF THE BONDS.

WHEREAS, The City of Jefferson, Missouri (the **"City"**), is authorized under the provisions of Article VI, Section 27 of the Missouri Constitution, as amended, and Sections 100.010 to 100.200, inclusive, of the Revised Statutes of Missouri, as amended (collectively, the **"Act"**), to purchase, construct, extend and improve certain projects (as defined in the Act) for the purposes set forth in the Act and to issue industrial development revenue bonds for the purpose of providing funds to pay the costs of such projects and to lease or otherwise dispose of such projects to private persons or corporations for manufacturing, commercial, warehousing and industrial development purposes upon such terms and conditions as the City shall deem advisable; and

WHEREAS, Jefferson City Medical Group, P.C., a Missouri professional corporation (the **"JCMG PC"**), has proposed an industrial development project (the **"Project"**) consisting of (1) constructing an approximately 28,000 square foot stand-alone outpatient surgery center (the **"Project Improvements"**) on an approximately 6.85 acre site located at 3520 West Edgewood Drive in the City (the **"Project Site"**), which will be occupied by JCMG PC, and (2) acquiring and installing certain equipment and other personal property within the Project Improvements (the **"Project Equipment"**), and has requested that the City (a) issue its Taxable Industrial Development Revenue Bonds (JCMG – Real Property Project), Series 2022, in the maximum principal amount not to exceed $15,700,000 (the **"Real Property Bonds"**), for the purpose of acquiring the Project Site and constructing the Project Improvements located thereon (the Project Site and Project Improvements being collectively referred to herein as the **"Real Property"**), and (b) issue its Taxable Industrial Development Revenue Bonds (JCMG – Personal Property Project), Series 2022, in the maximum principal amount not to exceed $2,100,000 (the **"Personal Property Bonds"** and, together with the Real Property Bonds, the **"Bonds"**), for the purpose of acquiring and installing the Project Equipment within the Project Improvements, contingent upon preparation and approval of a plan for industrial development with respect to the Project (the **"Plan"**) as required by Section 100.050 of the Act; and

WHEREAS, The City has prepared a Plan for the Project, notice of the Project was given to the taxing jurisdictions in accordance with Section 100.059.1 of the Act, and the City now desires to approve the Plan; and

WHEREAS, The City has and does hereby find and determine that it is desirable for the economic development of the City and within the public purposes of the Act that the City proceed with the issuance of the Bonds for the purpose described above; and

WHEREAS, The City further finds and determines that it is necessary and desirable in connection with approval of the Plan and the issuance of the Bonds that the City enter into certain documents, and that the City take certain other actions and approve the execution of certain other documents as herein provided;

NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY OF JEFFERSON, MISSOURI, AS FOLLOWS:

Section 1. Promotion of Economic Development. The City Council hereby finds and determines that the Project will promote the economic welfare and the development of the City, and the issuance of the Bonds by the City to pay the costs of the Project will be in furtherance of the public purposes set forth in the Act.

Section 2. Approval of Plan. The **City** Council hereby approves the Plan for Industrial Development Project attached hereto as **Exhibit A** in accordance with Section 100.050 of the Act.

Section 3. Authorization and Sale of the Bonds. The City is hereby authorized to issue and sell the Bonds as described in the recitals hereto for the purpose of providing funds to pay the costs of the Project. The Bonds shall be issued and secured pursuant to the herein authorized Indentures (defined below) and shall have such terms, provisions, covenants and agreements as are set forth in the Indentures. The sale of the Personal Property Bonds to JCMG PC and the sale of the Real Property Bonds to JCMG Investment, LLC, as Missouri limited liability company (**"JCMG Investment"**), at private sale pursuant to the provisions of Section 108.170 of Revised Statutes of Missouri, as amended, at the interest rates and upon the terms set forth in the respective Indentures is hereby approved.

Section 4. Limited Obligations. The Bonds and the interest thereon shall be limited obligations of the City payable solely out of the payments, revenues and receipts derived by the City from the herein authorized Lease Agreements (defined below), and such payments, revenues and receipts shall be pledged and assigned to the Trustee (defined below) as security for the payment of the Bonds as provided in the respective Indentures. The Bonds and the interest thereon shall not be deemed to constitute a debt or liability of the City within the meaning of any constitutional provision, statutory limitation or City Charter provision and shall not constitute a pledge of the full faith and credit of the City. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the City to levy any form of taxation therefore or to make any appropriation for their payment.

Section 5. Approval and Authorization of Documents. The following documents (the **"City Documents"**) are hereby approved in substantially the forms presented to the City Council at this meeting (copies of which documents shall be filed in the records of the City), and the City is hereby authorized to execute and deliver the City Documents with such changes therein as shall be approved by the officials of the City executing such documents, such officials' signatures thereon being conclusive evidence of their approval thereof:

(a) Real Property Trust Indenture dated as of the date set forth therein (the **"Real Property Indenture"**), between the City and BOKF, N.A., as trustee (the **"Trustee"**), pursuant to which the Real Property Bonds will be issued and the City

will pledge and assign the payments, revenues and receipts received pursuant to the Real Property Lease Agreement (defined herein) to the Trustee for the benefit and security of the owners of the Real Property Bonds upon the terms and conditions as set forth in the Real Property Indenture.

(b) Personal Property Trust Indenture dated as of the date set forth therein (the **"Personal Property Indenture"** and, together with the Real Property Indenture, the **"Indentures"**), between the City and the Trustee pursuant to which the Personal Property Bonds will be issued and the City will pledge and assign the payments, revenues and receipts received pursuant to the Personal Property Lease Agreement (defined herein) to the Trustee for the benefit and security of the owners of the Personal Property Bonds upon the terms and conditions as set forth in the Personal Property Indenture.

(c) Real Property Lease Agreement dated as of the date set forth therein (the **"Real Property Lease Agreement"**), between the City, as lessor, and JCMG Investment, as lessee, under which the City will lease the Real Property to JCMG Investment pursuant to the terms and conditions in the Real Property Lease Agreement, in consideration of rental payments by JCMG Investment which will be sufficient to pay the principal of and interest on the Real Property Bonds. JCMG Investment will sublease the Real Property to JCMG PC.

(d) Personal Property Lease Agreement dated as of the date set forth therein (the **"Personal Property Lease Agreement"** and, together with the Real Property Lease Agreement, the **"Lease Agreements"**), between the City, as lessor, and JCMG PC, as lessee, under which the City will lease the Project Equipment to JCMG PC pursuant to the terms and conditions in the Personal Property Lease Agreement, in consideration of rental payments by JCMG PC which will be sufficient to pay the principal of and interest on the Personal Property Bonds.

(e) Real Property Bond Purchase Agreement dated as of the date set forth therein between the City and JCMG Investment pursuant to which JCMG Investment agrees to purchase the Real Property Bonds.

(f) Personal Property Bond Purchase Agreement dated as of the date set forth therein between the City and JCMG PC pursuant to which JCMG PC agrees to purchase the Personal Property Bonds.

(g) Performance Agreement dated as of the date set forth therein (the **"Performance Agreement"**), between the City, JCMG PC and JCMG Investment pursuant to which the City will grant JCMG PC and JCMG Investment certain rights with respect to the abatement of ad valorem real and personal property taxes on the Real Property and the Project Equipment in consideration for JCMG PC's agreement to create and maintain a certain level of employment at the Project Site.

(h) Special Warranty Deed from JCMG Investment, as grantor, to the City, as grantee, pursuant to which the City will acquire the Real Property.

Section 6. Execution of Documents. The Mayor is hereby authorized and directed to execute the Bonds and to deliver the Bonds to the Trustee for authentication for and on behalf of and as the act and deed of the City in the manner provided in the respective Indentures. The Mayor is hereby authorized and directed to execute the City Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the

intent of this Ordinance, for and on behalf of and as the act and deed of the City. The City Clerk of the City is hereby authorized and directed to attest to and affix the seal of the City to the Bonds and the City Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

Section 7. Further Authority. The City shall, and the officials, agents and employees of the City are hereby authorized and directed to, take such further action, and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance and to carry out, comply with and perform the duties of the City with respect to the Bonds and the City Documents. The Mayor is hereby authorized, through the term of each respective Lease Agreement, to execute all documents on behalf of the City (including documents pertaining to the transfer of property or the financing or refinancing of the Project by JCMG PC or JCMG Investment, respectively, and such easements, licenses, rights-of-way, plats and similar documents as may be requested by JCMG PC or JCMG Investment, respectively) as may be required to carry out and comply with the intent of this Ordinance, the Indentures and the Lease Agreements. The Mayor is also authorized, unless otherwise expressly provided herein to the contrary, to grant on behalf of the City such consents, estoppels and waivers relating to the Bonds, the Indentures, the Lease Agreements or the Performance Agreement as may be requested during the terms thereof; provided, such consents, estoppels and/or waivers shall not increase the principal amount of either series of the Bonds, increase the term of either Lease Agreement or adversely affect the property tax exemption as provided for therein, waive an Event of Default (as defined in the Indentures and the Lease Agreements), or materially change the nature of the transaction unless approved by an ordinance of the City Council.

Section 8. Severability. If any term, condition or provision of this Ordinance is, to any extent, held to be invalid or unenforceable, the remainder hereof shall be valid in all other respects and continue to be effective and each and every remaining provision hereof shall be valid and shall be enforced to the fullest extent permitted by law, it being the intent of the City Council that it would have enacted this Ordinance without the invalid or unenforceable provision. If, as a result of a subsequent change in applicable law, the provision that had been held invalid is no longer invalid, said provision shall thereupon return to full force and effect without further action by the City and shall thereafter be binding.

Section 9. Effective Date. This Ordinance shall take effect and be in full force and effect from and after its passage by the City Council of the City.

Passed:_____ Approved:_____

_____ _____

Presiding Officer Mayor Carrie Tergin

ATTEST: APPROVED AS TO FORM:

_____ _____

City Clerk City Attorney

EXHIBIT A
TO ORDINANCE NO. _____

PLAN FOR INDUSTRIAL DEVELOPMENT PROJECT AND COST BENEFIT ANALYSIS FOR JEFFERSON CITY MEDICAL GROUP, P.C.

NOTICE TO TAXING JURISDICTIONS

To: Taxing Jurisdictions (Distribution List attached)

Re: Notice of Public Hearing – Jefferson City Medical Group Project

On behalf of the City of Jefferson, Missouri (**"City"**), please find enclosed a copy of the proposed Plan for an Industrial Development Project (**"Plan"**) for Jefferson City Medical Group, P.C. (**"Company"**), which also contains a Cost Benefit Analysis for the affected taxing jurisdictions.

The City anticipates considering an Ordinance to approve the Plan at its regular meeting on Monday, December 19, 2022, at 6:00 PM at City Council Chambers at City Hall in the John G. Christy Municipal Building, 320 E. McCarty Street, in Jefferson City, Missouri. The Plan, if approved, consists of the Company constructing and equipping an approximately 28,000 square foot stand-alone outpatient surgery center located at 3520 West Edgewood Drive in Jefferson City, Missouri, for purposes as further described in the attached Plan.

The City invites all affected taxing jurisdictions to attend the meeting on December 19, 2022, and to make oral comments on the proposed Plan to the City or to provide written comments to the City on the Plan prior to the meeting. All comments of the taxing districts will be fairly and duly considered by the City.

A copy of the Plan and Cost Benefit Analysis for the proposed project is enclosed and also will be on file in the office of the City Clerk and will be available for public inspection during normal business hours.

Dated: November 18, 2022

CITY OF JEFFERSON, MISSOURI
320 E. McCarty St.
Jefferson City, Missouri 65101

Jefferson City Public Schools
Bryan McGraw, Superintendent
315 East Dunklin Street
Jefferson City, MO 65101

City of Jefferson
Fire Pension Fund
Steven S. Crowell, Jr., City Administrator
320 E. McCarty St.
Jefferson City MO 65101

Cole County
Cole County Road and Bridge
Sam Bushman, Presiding Commissioner
311 E High Street
Jefferson City, MO 65101

State Tax Commission of Missouri
301 W. High Street, Room 840
P.O. Box 146
Jefferson City, MO 65102

Missouri River Regional Library
Claudia Cook, Director
214 Adams Street
P.O. Box 89
Jefferson City, MO 65102

Missouri Department of Revenue
County Tax Section
State Blind Pension Fund
301 West High Street, Room 330
Jefferson City, MO 65105

Cole County Residential Services
Executive Director
1908 Boggs Creek Road
Jefferson City, MO 65101

CITY OF JEFFERSON, MISSOURI

PLAN FOR AN INDUSTRIAL DEVELOPMENT PROJECT
AND
COST-BENEFIT ANALYSIS

FOR

JEFFERSON CITY MEDICAL GROUP, P.C.

TABLE OF CONTENTS

		Page
I.	PURPOSE OF THIS PLAN	1
II.	DESCRIPTION OF CHAPTER 100 FINANCINGS	1
	General	1
	Issuance and Sale of Bonds	1
	Property Tax Abatement	2
III.	DESCRIPTION OF THE PARTIES	2
	Jefferson City Medical Group, P.C.	2
	JCMG Investment, LLC	2
	City of Jefferson, Missouri	2
IV.	REQUIREMENTS OF THE ACT	3
	Description of the Project	3
	Estimate of the Costs of the Project	3
	Sources of Funds to be Expended for the Project	3
	Statement of the Terms Upon Which the Project is to be Leased or Otherwise Disposed of by the City	3
	Affected Taxing Jurisdictions	4
	Current Assessed Valuation of the Project	4
	Payment in Lieu of Taxes	4
	Cost-Benefit Analysis and Discussion of Attachments	6
V.	ASSUMPTIONS AND BASIS OF PLAN	6

ATTACHMENT A: SUMMARY OF KEY ASSUMPTIONS

ATTACHMENT B: COST-BENEFIT ANALYSIS

* * *

CITY OF JEFFERSON, MISSOURI

PLAN FOR AN INDUSTRIAL DEVELOPMENT PROJECT
AND
COST-BENEFIT ANALYSIS
FOR
JEFFERSON CITY MEDICAL GROUP, P.C.

I. PURPOSE OF THIS PLAN

The City of Jefferson, Missouri (the **"City"**), intends to issue a series of Taxable Industrial Development Revenue Bonds (JCMG - Real Property Project), Series 2022, in a maximum aggregate principal amount of not to exceed $15,700,000 (the **"Real Property Bonds"**) and a series of Taxable Industrial Development Revenue Bonds (JCMG - Personal Property Project), Series 2022, in a maximum aggregate principal amount of not to exceed $2,100,000 (the **"Personal Property Bonds"** and, together with the Real Property Bonds, the **"Bonds"**) to finance the costs of an industrial development project (the **"Project"**) for the benefit of Jefferson City Medical Group, P.C., a Missouri professional corporation (**"Jefferson City Medical Group"**). The Bonds will be issued pursuant to the provisions of Sections 100.010 to 100.200 of the Revised Statutes of Missouri (**"Chapter 100"**) and Article VI, Section 27(b) of the Missouri Constitution (together with Chapter 100, the **"Act"**).

Gilmore & Bell, P.C., as bond counsel to the City, as prepared this Plan for an Industrial Development Project and Cost/Benefit Analysis (this **"Plan"**) to satisfy requirements of the Act and to analyze the potential costs and benefits, including the related tax impact on affected taxing jurisdictions, of using industrial revenue bonds to finance the Project and to facilitate abatement of ad valorem real and personal property taxes on the bond-financed property.

II. DESCRIPTION OF CHAPTER 100 FINANCINGS

General. Chapter 100 authorizes cities, counties, towns and villages to issue industrial revenue bonds to finance the purchase, construction, extension and improvement of warehouses, distribution facilities, research and development facilities, office industries, agricultural processing industries, service facilities that provide interstate commerce and industrial plants, including the real estate either within or without the limits of such municipalities, buildings, fixtures and machinery. In addition, Article VI, Section 27(b) of the Missouri Constitution authorizes cities, counties, towns and villages to issue revenue bonds for the purpose of paying all or part of the cost of purchasing, constructing, extending or improving any facility for manufacturing, commercial, warehousing or industrial development purposes, including the real estate, buildings, fixtures and machinery.

Issuance and Sale of Bonds. Revenue bonds issued pursuant to the Act do not require voter approval and are payable solely from revenues received from a lease or other disposition of the project. The municipality issues its bonds, and in exchange, the benefited company promises to make payments that are sufficient to pay the principal of and interest on the bonds as they become due. Thus, the municipality merely acts as a conduit for the financing.

Concurrently with the closing of the bonds, the company will convey title or lease the site on which the industrial development project is located to the municipality. The company will convey to the municipality title to the personal property included in the project. (The municipality must be the legal owner of the property while the bonds are outstanding for the property to be eligible for tax abatement, as further described below.) The municipality will immediately lease the project site, the improvements thereon and the personal property included in the project back to the benefited company pursuant to a lease agreement. The lease agreement will require the company, acting on behalf of the municipality, to use the bond proceeds to purchase, construct and equip the project.

Under the lease agreement, the company typically: (1) will agree to make payments sufficient to pay the principal of and interest on the bonds as they become due; (2) will agree, at its own expense, to maintain the project, to pay all taxes (other than those abated) and assessments with respect to the project and to maintain adequate insurance; (3) has the right, at its own expense, to make certain additions, modifications or improvements to the project; (4) may assign its interests under the lease agreement or sublease the project while remaining responsible for payments under the lease agreement; (5) will covenant to maintain its corporate existence during the term of the bond issue; and (6) will agree to indemnify the municipality for liability the municipality might incur as a result of its participation in the transaction.

Property Tax Abatement. Under Article X, Section 6 of the Missouri Constitution and Section 137.100 of the Revised Statutes of Missouri, all property of any political subdivision is exempt from taxation. In a typical transaction, the municipality holds fee title to the project and leases the project to the benefited company. Although the Missouri Supreme Court has held that the leasehold interest is taxable, it is taxable only to the extent that the economic value of the lease is less than the actual market value of the lease. See *Iron County v. State Tax Commission*, 437 S.W.2d 665 (Mo. banc 1968) and *St. Louis County v. State Tax Commission*, 406 S.W.2d 644 (Mo. banc 1966). If the rental payments under the lease agreement equal the actual debt service payments on the bonds, the leasehold interest should have no "bonus value" and the bond-financed property should be exempt from ad valorem real and personal property taxation so long as the bonds are outstanding.

If the municipality and the company determine that partial tax abatement is desirable, the company may agree to make "payments in lieu of taxes." The amount of payments in lieu of taxes is negotiable. The payments in lieu of taxes are payable by December 31 of each year, and are distributed to the municipality and to each political subdivision within the boundaries of the project in the same manner and in the same proportion as property taxes would otherwise be distributed under Missouri law.

III. DESCRIPTION OF THE PARTIES

Jefferson City Medical Group, P.C. Jefferson City Medical Group was founded in 1993 by a handful of physicians in the City and is now one of Missouri's largest independent multi-specialty medical groups owned and operated by physicians. Jefferson City Medical Group includes more than 70 physicians and employs over 650 people and offers over 110 providers in over 30 medical specialties. Most of Jefferson City Medical Group's providers are located at the main JCMG Medical Building in the City, which serves as the Company's headquarters, but the Company also has 11 other regional clinics located throughout the City and mid-Missouri region. In total, more than 70,000 patients are seen each year by Jefferson City Medical Group's medical professionals. More information regarding Jefferson City Medical Group can be found at https://jcmg.org/.

JCMG Investment, LLC. JCMG Investment, LLC (**"JCMG Investment"**), is a Missouri limited liability company that owns the approximately 6.85 acre real estate site located at 3520 West Edgewood Drive, Jefferson City, Missouri 65109 (the **"Project Site"**), upon which the hereinafter defined Project Improvements are located. JCMG Investment is affiliated with Jefferson City Medical Group and was created solely for the purpose of owning the Project Site and the Project Improvements located thereon, which JCMG Investment will lease to Jefferson City Medical Group.

City of Jefferson, Missouri. The City is a home rule charter city and municipal corporation organized and existing under the laws of the State of Missouri. The City is authorized and empowered pursuant to the provisions of the Act to purchase, construct, extend and improve certain projects (as defined in the Act) and to issue industrial development revenue bonds for the purpose of providing funds to pay the costs of such projects and to lease or otherwise dispose of such projects to private persons or corporations for manufacturing, commercial, warehousing and industrial development purposes upon such terms and conditions as the City deems advisable.

IV. REQUIREMENTS OF THE ACT

Description of the Project. The Project consists of (1) constructing an approximately 28,000 square foot stand-alone outpatient surgery center (the **"Project Improvements"**) on the Project Site (the Project Site and the Project Improvements are collectively referred to as the **"Real Property"**), and (2) acquiring and installing certain equipment and other personal property within the Project Improvements (the **"Project Equipment"**). The Project Site, the Project Improvements and the Project Equipment are collectively referred to as the **"Project."**

Estimate of the Costs of the Project. The total estimated cost of the Project is approximately $17,706,512, of which approximately (1) $1,400,000 is attributable to the acquisition of the Project Site, (2) $14,223,237 is attributable to the construction of the Project Improvements, and (3) $2,083,275 is attributed to the acquisition and installation of the Project Equipment.

Sources of Funds to be Expended for the Project. The sources of funds to pay for (or reimburse costs of) the Real Property will be the proceeds of the Real Property Bonds to be issued by the City in the maximum aggregate principal amount of $15,700,000, which will be purchased by JCMG Investment. The Real Property Bonds will be payable solely from the revenues derived by the City from the lease of the Real Property to JCMG Investment under a Real Property Lease (defined herein)(JCMG Investment will sublease the Real Property to Jefferson City Medical Group).

The sources of funds to pay for (or reimburse costs of) the Project Equipment will be the proceeds of Personal Property Bonds to be issued by the City in the maximum aggregate principal amount of $2,100,000, which will be purchased by Jefferson City Medical Group. The Personal Property Bonds will be payable solely from the revenues derived by the City from the lease of the Project Equipment to Jefferson City Medical Group under a Personal Property Lease (defined herein). The Bonds will not be an indebtedness or general obligation, debt or liability of the City or the State of Missouri.

Statement of the Terms Upon Which the Project is to be Leased or Otherwise Disposed of by the City. Simultaneously with the issuance of the Real Property Bonds, JCMG Investment will convey fee title to the Real Property to the City. The City, as lessor, will then lease the Real Property back to JCMG Investment, as lessee, under a real property lease agreement (the **"Real Property Lease"**), and JCMG Investment will sublease the Real Property to Jefferson City Medical Group. The rental payments to be paid to the City under the Real Property Lease for use of the Real Property will be equal to the principal of and interest on the Real Property Bonds. JCMG Investment (or Jefferson City Medical Group as sublessee of the Real Property) will also make certain PILOT Payments to the City relating to the Real Property for distribution to the affected taxing jurisdictions, as further described herein. Under the terms of the Real Property Lease, JCMG Investment will have the option to purchase the Real Property at any time for nominal consideration. Unless terminated sooner pursuant to the terms thereof, the Real Property Lease will terminate on December 31, 2032.

Simultaneously with the issuance of the Personal Property Bonds, Jefferson City Medical Group will convey the Project Equipment to the City via a bill of sale. The City, as lessor, will then lease the Project Equipment back to Jefferson City Medical Group, as lessee, under a personal property lease agreement (the **"Personal Property Lease"**). The rental payments to be paid to the City under the Personal Property Lease for use of the Project Equipment will be equal to the principal of and interest on the Personal Property Bonds. Jefferson City Medical Group will also make certain PILOT Payments to the City relating to the Project Equipment for distribution to the affected taxing jurisdictions, as further described herein. Under the terms of the Personal Property Lease, Jefferson City Medical Group will have the option to purchase the Project Equipment at any time for nominal consideration. Unless terminated sooner pursuant to the terms thereof, the Personal Property Lease will also terminate on December 31, 2032.

Affected Taxing Jurisdictions. The Jefferson City School District is the school district financially impacted by the Project. The City of Jefferson, Missouri, is the city financially impacted by the Project. Cole County, Missouri, is the county financially impacted by the Project. There is no community college district, fire protection district, ambulance district or other emergency services district financially impacted by the Project. Below is a list of all taxing jurisdictions financially impacted by the Project, which are also reflected in the Cost-Benefit Analysis attached as **Attachment B** hereto:

- City of Jefferson (includes Fire Pension Fund)
- Cole County (General Revenue and Road & Bridge)
- Cole County Special Services (Developmental Disabilities Board)
- Jefferson City/Cole County Public Library District
- Jefferson City School District
- State of Missouri Blind Pension Fund

Current Assessed Valuation of the Project.

Real Property. The most recent equalized assessed valuation of the Real Property, as of January 1, 2022, is $2,481,600 (which is based upon the appraised value of $7,755,000 for the Project Site and partially constructed Project Improvements located thereon as of January 1, 2022, multiplied by the statutorily required assessment rate of 32% for commercial real property). Given that the Project Improvements will have been fully constructed and operational prior to January 1, 2023, it is estimated that the total equalized assessed valuation of the Real Property in 2023 will be approximately $3,376,640 (which is based upon an estimated appraised value of $10,552,000 for the Project Site and the fully constructed/operational Project Improvements located thereon as of January 1, 2023, multiplied by the statutorily required assessment rate of 32% for commercial real property). The Cole County Assessor will make the final determination of the Real Property assessed value.

Personal Property. The most recent equalized assessed valuation of the personal property comprising the Project Equipment, as of January 1, 2022, is $0 (because as of January 1, 2022, no portion of the Project Equipment had been acquired or delivered to the Project Site). Given that all of the Project Equipment will be acquired and delivered to the Project Site during calendar year 2022, it is estimated that the total equalized assessed valuation of the Project Equipment in 2023 will be approximately $619,990 (which is based upon the cost of the Project Equipment of $2,083,275, less depreciation, multiplied by the statutorily required assessment rate of 33.33% for personal property). The Cole County Assessor will make the final determination of the assessed value of the Project Equipment.

Payments in Lieu of Taxes. If this Plan is approved by the City Council, the City intends to issue the Bonds, take possession of the Project and extend real and personal property tax abatement to Jefferson City Medical Group and JCMG Investment as further described below:

Payments in Lieu of Taxes - Real Property. JCMG Investment will receive real property tax abatement on the Real Property for a period of 10 years as follows: (1) 75% real property tax abatement in years 1-5 (calendar years 2023 through 2027) and (2) 50% real property tax abatement in years 6-10 (calendar years 2028 through 2032). In each year of the 10-year real property tax abatement period (years 2023 through 2032), JCMG Investment will be required to pay PILOT Payments equal to the following:

(a) In calendar years 2023 through 2027, inclusive, 25% of the real property taxes that would otherwise be due on the Real Property, but for the City's ownership thereof; and

(b) In calendar years 2028 through 2032, inclusive, 50% of the real property taxes that would otherwise be due on the Real Property, but for the City's ownership thereof.

Payments in Lieu of Taxes – Personal Property. Jefferson City Medical Group will receive personal property tax abatement on the Project Equipment for a period of 10 years as follows: (1) 75%

personal property tax abatement in years 1-5 (calendar years 2023 through 2027) and (2) 50% personal property tax abatement in years 6-10 (calendar years 2028 through 2032). In each year of the 10-year personal property tax abatement period (years 2023 through 2032), Jefferson City Medical Group will be required to pay PILOT Payments equal to the following:

(a) In calendar years 2023 through 2027, inclusive, 25% of the personal property taxes that would otherwise be due on the Project Equipment, but for the City's ownership thereof; and

(b) In calendar years 2028 through 2032, inclusive, 50% of the personal property taxes that would otherwise be due on the Project Equipment, but for the City's ownership thereof.

Pursuant to Section 100.050 of the Act, certain emergency service districts may elect to be reimbursed up to 100% of the real and personal property taxes they would have received, but for the real and personal property tax abatement. Currently, no qualifying emergency service districts are impacted by the Project described in this Plan. However, to the extent a qualifying emergency service district levies an ad valorem property tax on the Project Site in the future, the emergency service district may elect a reimbursement rate equal to 100% of the real and personal property taxes the emergency service district would have otherwise received. If Section 100.050 of the Act is determined to apply to any emergency service district in the future, then JCMG Investment and Jefferson City Medical Group will be required make PILOT Payments required to satisfy the obligations to any emergency service districts as required by Section 100.050 of the Act.

Jefferson City Medical Group has also represented that it will create and maintain at least 20 full-time jobs at the Project Site (the **"Jobs"**) by October 31, 2023, and will be required to report the number of Jobs maintained at the Project Site as of October 31, 2023, and each October 31st thereafter, through October 31, 2032 (each a **"Test Date"**), which is the final year of the property tax abatement. If Jefferson City Medical Group fails to maintain the 20 Jobs at that Project Site as of a particular Test Date (between 2023 through 2032), then the amount of the PILOT Payments JCMG Investment and Jefferson City Medical Group will be required to pay with respect to the Real Property and Project Equipment, respectively, in the year the failure occurs will be increased proportionately by the amount Jefferson City Medical Group failed to meet the Jobs target. The amount of the PILOT Payment increase will be calculated in accordance with a Performance Agreement to be entered into between the City, JCMG Investment and Jefferson City Medical Group (the **"Performance Agreement"**), which Performance Agreement will set forth the terms of the property tax abatement relating to the Real Property and Project Equipment and PILOT Payments required to be paid by JCMG Investment and Jefferson City Medical Group, respectively, with respect to the Real Property and Project Equipment during the 10-year period of property tax abatement.

Failure to create and maintain the number of Jobs at the Project Site at the Project Site by the dates set forth in the preceding paragraph will not be a default under the Performance Agreement or the respective Real Property Lease or Personal Property Lease; instead, the remedy will be the increase in the required PILOT Payments as described in the preceding paragraph.

Such PILOT Payments would, after reduction for actual costs of the City for distributing such payments, be distributed among the taxing jurisdictions in proportion to the amount of property taxes which would have been paid in each year had the Real Property and Project Equipment not been exempt from property taxation, pursuant to Section 100.050.3 of the Act.

Cost-Benefit Analysis and Discussion of Attachments. In compliance with Section 100.050.2(3) of the Act, this Plan has been prepared to show the costs and benefits to the City and to other taxing jurisdictions affected by the property tax abatements for the Real Property and the Project Equipment. The following is a summary of the Cost-Benefit Analysis attached to this Plan as **Attachment B** that shows the direct impact the property tax abatements for the Real Property and the Project Equipment is expected to have on each taxing jurisdiction. This Plan does not attempt to quantify the overall economic impact of the Project.

Project Assumptions. **Attachment A** and **Page 1** of the Cost-Benefit Analysis included as **Attachment B** to this Plan presents a list of the assumptions related to the determination of the real and personal property assessed valuations and the tax formulas.

Summary of Cost-Benefit Analysis. **Page 2** of the Cost-Benefit Analysis included as **Attachment B** to this Plan provides a summary for each affected taxing jurisdiction of (1) the total estimated real and personal property tax revenues that would be generated if the Real Property and the Project Equipment did not receive real and personal property tax abatement, (2) the total estimated value of the real and personal property tax abatement to JCMG Investment and Jefferson City Medical Group and (3) the total estimated value of the PILOT Payments to be made by the JCMG Investment and Jefferson City Medical Group for the proposed 10-year real and personal property tax abatement period. Please note that the actual value of the Real Property and the Project Equipment may differ from the estimated value assumed in this Plan and may impact the value of the PILOT Payments to be made by JCMG Investment and Jefferson City Medical Group, respectively.

Real Property Tax Revenues. **Page 3** of the Cost Benefit Analysis included as **Attachment B** to this Plan provides the projected real property tax revenues that would be generated from the Real Property if the Real Property did not receive real property tax abatement. **Page 4** of the Cost-Benefit Analysis provides the projected value of the PILOT Payments to be made by JCMG Investment based on the estimated assessed value of the Real Property. **Page 5** of the Cost-Benefit Analysis provides the projected value of the real property tax abatement to JCMG Investment for the Real Property.

Personal Property Tax Revenues. **Page 6** of the Cost-Benefit Analysis provides the projected personal property tax revenues that would be generated from the Project Equipment if the Project Equipment did not receive personal property tax abatement. **Page 7** of the Cost-Benefit Analysis provides the projected value of the PILOT Payments to be made by the Jefferson City Medical Group based on the estimated assessed value of the Project Equipment after installation. **Page 8** of the Cost-Benefit Analysis provides the projected value of the personal property tax abatement to the Company.

V. ASSUMPTIONS AND BASIS OF PLAN

In preparing this Plan, we have made some key assumptions to estimate the fiscal impact of the real and personal property tax abatement and exemptions proposed for the Project. See **Attachment A** and **Page 1** of the Cost-Benefit Analysis included as **Attachment B** for a summary of these assumptions.

In addition to the foregoing, in order to complete this Plan, we have generally reviewed and relied upon information furnished to us by, and have participated in conferences with, representatives of the City, representatives of Jefferson City Medical Group (and JMCG Investment), and other persons as we have deemed appropriate. We do not assume any responsibility for the accuracy, completeness or fairness of any of the information provided to us and make no representation that we have independently verified the accuracy, completeness or fairness of such information.

ATTACHMENT A

SUMMARY OF KEY ASSUMPTIONS

1. The total estimated cost of the Project is approximately $17,706,512, of which approximately (1) $1,400,000 is attributable to the acquisition of the Project Site, (2) $14,223,237 is attributable to the construction of the Project Improvements, and (3) $2,083,275 is attributed to the acquisition and installation of the Project Equipment.

2. The acquisition of the Project Site and construction of the Project Improvements will be completed prior to the end of 2022. All of the Project Equipment will be acquired and installed in 2022.

3. The Real Property will be owned by the City and leased to JCMG Investment with an option to purchase; JCMG Investment will sublease the Real Property to Jefferson City Medical Group. The Project Equipment will be owned by the City and leased to the Jefferson City Medical Group. As long as the Project or any portion thereof is owned by the City, the Project or such portion thereof will be exempt from ad valorem property taxes.

4. The Real Property and the Project Equipment will be excluded from the calculation of ad valorem property taxes from 2023 through 2032, inclusive.

5. JCMG Investment and Jefferson City Medical Group, respectively, will receive real and personal property tax abatement for a period of 10 years as follows: (1) 75% real and personal property tax abatement in years 1-5 (calendar years 2023 through 2027) and (2) 50% real and personal property tax abatement in years 6-10 (calendar years 2028 through 2032). During the 10-year tax abatement period, JCMG Investment and Jefferson City Medical Group will make PILOT Payments equal to the following:

Real Property PILOT Payments (paid by JCMG Investment):

(a) During calendar years 2023 through 2027, inclusive, 25% of the real property taxes that would otherwise be due on the Real Property, but for the City's ownership thereof; and

(b) During the calendar years 2028 through 2032, inclusive, 50% of the real property taxes that would otherwise be due on the Real Property, but for the City's ownership thereof.

Personal Property PILOT Payments (paid by Jefferson City Medical Group):

(a) During calendar years 2023 through 2027, inclusive, 25% of the personal property taxes that would otherwise be due on the Project Equipment, but for the City's ownership thereof; and

(b) During calendar years 2028 through 2032, inclusive, 50% of the personal property taxes that would otherwise be due on the Project Equipment, but for the City's ownership thereof.

6. Property taxes are calculated using the following formula:

(Assessed Value * Tax Rate) / 100

7. The assessed value of the Real Property is calculated using the following formula:

Estimated Value * Assessment Ratio of 32%

8. The assessed value of the Project Equipment is calculated using the following formula:

(Estimated Cost * Depreciation Factor) * Assessment Ratio of 33.33%

9. In determining the assessed valuation of the personal property comprising the Project Equipment, a depreciation factor is applied at the end of each year which depends on the recovery period of such personal property. Jefferson City Medical Group has represented that it expects all machinery, equipment and other personal property comprising the Project Equipment to have a 7-year recovery period. The depreciation factor used for personal property with a 7-year recovery period is included in the table below (*note*: year 0 represents the calendar year in which the personal property was acquired and year 1 represents the calendar year immediately following the year the personal property was acquired - the depreciation factor reflected in each year is multiplied by the original cost of the personal property):

Year	7-Year Recovery Depreciation Factors
0	100.00%
1	89.29%
2	70.16%
3	55.13%
4	42.88%
5	30.63%
6	18.38%
7	10.00%
8	10.00%
9	10.00%
10 and after	10.00%

10. The Real Property will be assessed in the first full year after the Project Improvements are completed (calendar year 2023) and will be reassessed in every odd-numbered year thereafter. An estimated growth of 2% on the Real Property has been assumed for each reassessment.

11. The property tax rates used in this Plan reflect the property tax rates in effect for the tax year 2022. The property tax rates were held constant through the 2032 tax year.

* * *

The Cost-Benefit Analysis has been prepared on the basis of factual information and assumptions provided to Gilmore & Bell, P.C. by, or on behalf of, the City, Jefferson City Medical Group or JCMG Investment. This information is provided in conjunction with our legal representation of the City, as its bond counsel, for this transaction. It is not intended as financial advice or a financial recommendation to the Jefferson City Medical Group, JCMG Investment, the City or any other taxing jurisdiction that may be affected by the Project. Gilmore & Bell, P.C. is not a financial advisor or a "municipal advisor" as defined in the Securities Exchange Act of 1934, as amended.

ATTACHMENT B

COST-BENEFIT ANALYSIS

[See attached]

CITY OF JEFFERSON, MISSOURI
(JEFFERSON CITY MEDICAL GROUP PROJECT)

COST BENEFIT ANALYSIS
PLAN FOR INDUSTRIAL DEVELOPMENT PROJECT

GILMORE BELL
GILMORE & BELL, P.C.

Table of Contents

Project Assumptions	1
Summary of Cost Benefit Analysis	2
Projected Tax Revenues Without Abatement on Real Property	3
Projected PILOT Amounts on Real Property	4
Projected Tax Abatement on Real Property	5
Projected Tax Revenues Without Abatement on Project Equipment	6
Projected PILOT Amounts on Project Equipment	7
Projected Tax Abatement on Project Equipment	8

This information is provided based on the factual information and assumptions provided to Gilmore & Bell, P.C. by a party to or a representative of a party to the proposed transaction. This information is intended to provide factual information only and is provided in conjunction with our legal representation. It is not intended as financial advice or a financial recommendation to any party. Gilmore & Bell, P.C. is not a financial advisor or a "municipal advisor" as defined in the Securities Exchange Act of 1934, as amended.

Project Assumptions

- Initial year taxes assessed: 2023
- Current 2022 appraised value of Real Property (reflects value based on partial completion of Project Improvements as of 01/01/2022): $ 7,755,000
- Estimated 2023 appraised value of Real Property (reflects estimated value after Project Improvements completed/operational as of 01/01/2023): $ 10,552,000
- Year Project Equpment is acquired: 2022
- Estimated appraised value of Project Equipment (personal property): $ 2,083,275
- Bi-annual growth rate of appraised value of real property: 2.0%
- Assessed value as a percentage of appraised value (real property): 32.0%
- Assessed value as a percentage of appraised value (personal property): 33.33%
- Estimated 2023 Assessed value of Real Property (reflects estimated value after Project Improvements completed/operational as of 01/01/2023): $ 3,376,640
- Terms of abatement:

Years 1 - 5	75%	real and personal property
Years 6 - 10	50%	real and personal property

- Project Equipment is depreciated using the following 7-year recovery period schedule:

Year	Recovery Period in Years			
	3	5	7	10
0	100.00%	100.00%	100.00%	100.00%
1	75.00%	85.00%	89.29%	92.50%
2	37.50%	59.50%	70.16%	78.62%
3	12.50%	41.65%	55.13%	66.83%
4	5.00%	24.99%	42.88%	56.81%
5	5.00%	10.00%	30.63%	48.07%
6	5.00%	10.00%	18.38%	39.33%
7	5.00%	10.00%	10.00%	30.59%
8	5.00%	10.00%	10.00%	21.85%
9	5.00%	10.00%	10.00%	15.00%
10 and on	5.00%	10.00%	10.00%	15.00%

Summary of Cost Benefit Analysis

		Real Property			Project Equipment			Real Property and Project Equipment		
Taxing Jurisdiction	**2022 Tax Rate per $100 of AV**	**Projected Tax Revenue for Real Property (No Abatement)**	**Projected Tax Abatement for Real Property**	**Projected PILOT Amount for Real Property**	**Projected Tax Revenue for Project Equipment (No Abatement)**	**Projected Tax Abatement for Project Equipment**	**Projected PILOT Amount for Project Equipment**	**Projected Tax Revenue for Real Property and Project Equipment (No Abatement)**	**Projected Tax Abatement for Real Property and Project Equipment**	**Projected PILOT Amount for Real Property and Project Equipment**
Cole County - General Revenue	0.0665	$ 23,371	$ 14,537	$ 8,834	$ 1,600	$ 1,132	$ 467	$ 24,971	$ 15,670	$ 9,301
Cole County - Road & Bridge	0.2779	97,666	60,751	36,915	6,686	4,733	1,953	104,352	65,484	38,868
Cole County Special Services (Developmental Disabilities Board)	0.0927	32,579	20,265	12,314	2,230	1,579	651	34,809	21,844	12,965
Jefferson City/Cole County Library District	0.2000	70,289	43,722	26,567	4,811	3,406	1,406	75,100	47,128	27,973
Jefferson City	0.4600	161,664	100,560	61,104	11,066	7,834	3,233	172,730	108,393	64,337
Jefferson City Fire Pension Fund	0.0961	33,774	21,008	12,765	2,312	1,637	675	36,086	22,645	13,441
Jefferson City School District	4.7593	1,672,625	1,040,423	632,202	114,496	81,049	33,447	1,787,121	1,121,472	665,649
State of Missouri - Blind Pension Fund	0.0300	10,543	6,558	3,985	722	511	211	11,265	7,069	4,196
Surtax	0.5800	203,837	126,793	77,044	-	-	-	203,837	126,793	77,044
	6.5625	$ 2,306,347	$ 1,434,618	$ 871,730	$ 143,923	$ 101,880	$ 42,043	$ 2,450,270	$ 1,536,497	$ 913,773

Projected Tax Revenues Without Abatement on Real Property

Estimated Assessed Value of Real Property		$ 3,376,640	$ 3,376,640	$ 3,444,173	$ 3,444,173	$ 3,513,056	$ 3,513,056	$ 3,583,317	$ 3,583,317	$ 3,654,984	$ 3,654,984	
Taxing Jurisdiction	Tax Rate per $100 of AV	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Cole County - General Revenue	0.0665	$ 2,245	$ 2,245	$ 2,290	$ 2,290	$ 2,336	$ 2,336	$ 2,383	$ 2,383	$ 2,431	$ 2,431	23,371
Cole County - Road & Bridge	0.2779	9,384	9,384	9,571	9,571	9,763	9,763	9,958	9,958	10,157	10,157	97,666
Cole County Special Services (Developmental Disabilities Board	0.0927	3,130	3,130	3,193	3,193	3,257	3,257	3,322	3,322	3,388	3,388	32,579
Jefferson City/Cole County Library District	0.2000	6,753	6,753	6,888	6,888	7,026	7,026	7,167	7,167	7,310	7,310	70,289
Jefferson City	0.4600	15,533	15,533	15,843	15,843	16,160	16,160	16,483	16,483	16,813	16,813	161,664
Jefferson City Fire Pension Fund	0.0961	3,245	3,245	3,310	3,310	3,376	3,376	3,444	3,444	3,512	3,512	33,774
Jefferson City School District	4.7593	160,704	160,704	163,919	163,919	167,197	167,197	170,541	170,541	173,952	173,952	1,672,625
State of Missouri - Blind Pension Fund	0.0300	1,013	1,013	1,033	1,033	1,054	1,054	1,075	1,075	1,097	1,097	10,543
Surtax	0.5800	19,585	19,585	19,976	19,976	20,376	20,376	20,783	20,783	21,199	21,199	203,837
	6.5625	$ 221,592	$ 221,592	$ 226,024	$ 226,024	$ 230,544	$ 230,544	$ 235,155	$ 235,155	$ 239,858	$ 239,858	$ 2,306,347

Projected PILOT Amounts on Real Property

Estimated Assessed Value of Real Property		$ 3,376,640	$ 3,376,640	$ 3,444,173	$ 3,444,173	$ 3,513,056	$ 3,513,056	$ 3,583,317	$ 3,583,317	$ 3,654,984	$ 3,654,984	
PILOT Payment		25%	25%	25%	25%	25%	50%	50%	50%	50%	50%	
Taxing Jurisdiction	Tax Rate per $100 of AV	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Cole County - General Revenue	0.0665	$ 561	$ 561	$ 573	$ 573	$ 584	$ 1,168	$ 1,191	$ 1,191	$ 1,215	$ 1,215	$ 8,834
Cole County - Road & Bridge	0.2779	2,346	2,346	2,393	2,393	2,441	4,881	4,979	4,979	5,079	5,079	36,915
Cole County Special Services (Developmental Disabilities Board)	0.0927	783	783	798	798	814	1,628	1,661	1,661	1,694	1,694	12,314
Jefferson City/Cole County Library District	0.2000	1,688	1,688	1,722	1,722	1,757	3,513	3,583	3,583	3,655	3,655	26,567
Jefferson City	0.4600	3,883	3,883	3,961	3,961	4,040	8,080	8,242	8,242	8,406	8,406	61,104
Jefferson City Fire Pension Fund	0.0961	811	811	827	827	844	1,688	1,722	1,722	1,756	1,756	12,765
Jefferson City School District	4.7593	40,176	40,176	40,980	40,980	41,799	83,598	85,270	85,270	86,976	86,976	632,202
State of Missouri - Blind Pension Fund	0.0300	253	253	258	258	263	527	538	538	548	548	3,985
Surtax	0.5800	4,896	4,896	4,994	4,994	5,094	10,188	10,392	10,392	10,599	10,599	77,044
	6.5625	$ 55,398	$ 55,398	$ 56,506	$ 56,506	$ 57,636	$ 115,272	$ 117,578	$ 117,578	$ 119,929	$ 119,929	$ 871,730

Projected Tax Abatement on Real Property

Estimated Assessed Value of Real Property		$ 3,376,640	$ 3,376,640	$ 3,444,173	$ 3,444,173	$ 3,513,056	$ 3,513,056	$ 3,583,317	$ 3,583,317	$ 3,654,984	$ 3,654,984	
Abatement Percentage		75%	75%	75%	75%	75%	50%	50%	50%	50%	50%	
Taxing Jurisdiction	Tax Rate per $100 of AV	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Cole County - General Revenue	0.0665	$ 1,684	$ 1,684	$ 1,718	$ 1,718	$ 1,752	$ 1,168	$ 1,191	$ 1,191	$ 1,215	$ 1,215	$ 14,537
Cole County - Road & Bridge	0.2779	7,038	7,038	7,179	7,179	7,322	4,881	4,979	4,979	5,079	5,079	60,751
Cole County Special Services (Developmental Disabilities Board)	0.0927	2,348	2,348	2,395	2,395	2,442	1,628	1,661	1,661	1,694	1,694	20,265
Jefferson City/Cole County Library District	0.2000	5,065	5,065	5,166	5,166	5,270	3,513	3,583	3,583	3,655	3,655	43,722
Jefferson City	0.4600	11,649	11,649	11,882	11,882	12,120	8,080	8,242	8,242	8,406	8,406	100,560
Jefferson City Fire Pension Fund	0.0961	2,434	2,434	2,482	2,482	2,532	1,688	1,722	1,722	1,756	1,756	21,008
Jefferson City School District	4.7593	120,528	120,528	122,939	122,939	125,398	83,598	85,270	85,270	86,976	86,976	1,040,423
State of Missouri - Blind Pension Fund	0.0300	760	760	775	775	790	527	538	538	548	548	6,558
Surtax	0.5800	14,688	14,688	14,982	14,982	15,282	10,188	10,392	10,392	10,599	10,599	126,793
	6.5625	$ 166,194	$ 166,194	$ 169,518	$ 169,518	$ 172,908	$ 115,272	$ 117,578	$ 117,578	$ 119,929	$ 119,929	$ 1,434,618

Projected Tax Revenues Without Abatement on Project Equipment

Estimated Assessed Value of Project Equipment		$ 619,990	$ 487,160	$ 382,798	$ 297,740	$ 212,681	$ 127,623	$ 69,436	$ 69,436	$ 69,436	$ 69,436	
Taxing Jurisdiction	Tax Rate per $100 of AV	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Cole County - General Revenue	0.0665	$ 412	$ 324	$ 255	$ 198	$ 141	$ 85	$ 46	$ 46	$ 46	$ 46	$ 1,600
Cole County - Road & Bridge	0.2779	1,723	1,354	1,064	827	591	355	193	193	193	193	6,686
Cole County Special Services (Developmental Disabilities Board)	0.0927	575	452	355	276	197	118	64	64	64	64	2,230
Jefferson City/Cole County Library District	0.2000	1,240	974	766	595	425	255	139	139	139	139	4,811
Jefferson City	0.4600	2,852	2,241	1,761	1,370	978	587	319	319	319	319	11,066
Jefferson City Fire Pension Fund	0.0961	596	468	368	286	204	123	67	67	67	67	2,312
Jefferson City School District	4.7593	29,507	23,185	18,219	14,170	10,122	6,074	3,305	3,305	3,305	3,305	114,496
State of Missouri - Blind Pension Fund	0.0300	186	146	115	89	64	38	21	21	21	21	722
	5.9825	$ 37,091	$ 29,144	$ 22,901	$ 17,812	$ 12,724	$ 7,635	$ 4,154	$ 4,154	$ 4,154	$ 4,154	$ 143,923

		Project Equipment Assessed Value (7-Year Depreciation)									
Acquisition Year	**Investment**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**
2022	$ 2,083,275	619,990	487,160	382,798	297,740	212,681	127,623	69,436	69,436	69,436	69,436

Projected PILOT Amounts on Project Equipment

Estimated Assessed Value of Project Equipment		$ 619,990	$ 487,160	$ 382,798	$ 297,740	$ 212,681	$ 127,623	$ 69,436	$ 69,436	$ 69,436	$ 69,436	
PILOT Payment		25%	25%	25%	25%	25%	50%	50%	50%	50%	50%	
Taxing Jurisdiction	Tax Rate per $100 of AV	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Cole County - General Revenue	0.0665	$ 103	$ 81	$ 64	$ 50	$ 35	$ 42	$ 23	$ 23	$ 23	$ 23	$ 467
Cole County - Road & Bridge	0.2779	431	338	266	207	148	177	96	96	96	96	1,953
Cole County Special Services (Developmental Disabilities Board	0.0927	144	113	89	69	49	59	32	32	32	32	651
Jefferson City/Cole County Library District	0.2000	310	244	191	149	106	128	69	69	69	69	1,406
Jefferson City	0.4600	713	560	440	342	245	294	160	160	160	160	3,233
Jefferson City Fire Pension Fund	0.0961	149	117	92	72	51	61	33	33	33	33	675
Jefferson City School District	4.7593	7,377	5,796	4,555	3,543	2,531	3,037	1,652	1,652	1,652	1,652	33,447
State of Missouri - Blind Pension Fund	0.0300	47	37	29	22	16	19	10	10	10	10	211
	5.9825	$ 9,273	$ 7,286	$ 5,725	$ 4,453	$ 3,181	$ 3,818	$ 2,077	$ 2,077	$ 2,077	$ 2,077	$ 42,043

Projected Tax Abatement on Project Equipment

Estimated Assessed Value of Project Equipment		$ 619,990	$ 487,160	$ 382,798	$ 297,740	$ 212,681	$ 127,623	$ 69,436	$ 69,436	$ 69,436	$ 69,436	
Abatement Percentage		75%	75%	75%	75%	75%	50%	50%	50%	50%	50%	
Taxing Jurisdiction	Tax Rate per $100 of AV	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Cole County - General Revenue	0.0665	$ 309	$ 243	$ 191	$ 149	$ 106	$ 42	$ 23	$ 23	$ 23	$ 23	$ 1,132
Cole County - Road & Bridge	0.2779	1,292	1,015	798	621	443	177	96	96	96	96	4,733
Cole County Special Services (Developmental Disabilities Board)	0.0927	431	339	266	207	148	59	32	32	32	32	1,579
Jefferson City/Cole County Library District	0.2000	930	731	574	447	319	128	69	69	69	69	3,406
Jefferson City	0.4600	2,139	1,681	1,321	1,027	734	294	160	160	160	160	7,834
Jefferson City Fire Pension Fund	0.0961	447	351	276	215	153	61	33	33	33	33	1,637
Jefferson City School District	4.7593	22,130	17,389	13,664	10,628	7,592	3,037	1,652	1,652	1,652	1,652	81,049
State of Missouri - Blind Pension Fund	0.0300	140	110	86	67	48	19	10	10	10	10	511
	5.9825	$ 27,818	$ 21,858	$ 17,176	$ 13,359	$ 9,543	$ 3,818	$ 2,077	$ 2,077	$ 2,077	$ 2,077	$101,880

Gilmore & Bell, P.C.
Draft v2 – November 29, 2022

CITY OF JEFFERSON, MISSOURI,

AND

BOKF, N.A.,
as Trustee

REAL PROPERTY TRUST INDENTURE

Dated as of December 1, 2022

Relating to:

$15,700,000
(Aggregate Maximum Principal Amount)
City of Jefferson, Missouri
Taxable Industrial Development Revenue Bonds
(JCMG – Real Property Project)
Series 2022

REAL PROPERTY TRUST INDENTURE

TABLE OF CONTENTS

Page

Parties 1
Recitals 1
Granting Clauses 2

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms 3
Section 102. Rules of Interpretation 8
Section 103. Date of Indenture 9

ARTICLE II

THE BONDS

Section 201. Title and Amount of Bonds 9
Section 202. Nature of Obligation 9
Section 203. Denomination, Number and Dating of the Bonds 9
Section 204. Method and Place of Payment of Bonds 9
Section 205. Execution and Authentication of Bonds 10
Section 206. Registration, Transfer and Exchange of Bonds 11
Section 207. Persons Deemed Owners of Bonds 11
Section 208. Authorization of the Bonds 12
Section 209. Mutilated, Lost, Stolen or Destroyed Bonds 13
Section 210. Cancellation and Destruction of Bonds Upon Payment 14

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption of Bonds 14
Section 302. Effect of Call for Redemption 15
Section 303. Notice of Redemption 15

ARTICLE IV

FORM OF BONDS

Section 401. Form Generally 15

ARTICLE V

CUSTODY AND APPLICATION OF BOND PROCEEDS

Section 501. Creation of Funds 15
Section 502. Deposits into the Project Fund 16
Section 503. Disbursements from the Project Fund 16
Section 504. Completion of the Project Improvements 16
Section 505. Disposition Upon Acceleration 16

ARTICLE VI

REVENUES AND FUNDS

Section 601. Deposits into the Bond Fund 17
Section 602. Application of Moneys in the Bond Fund 17
Section 603. Payments Due on Days Other than Business Days 18
Section 604. Nonpresentment of Bonds 18

ARTICLE VII

SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

Section 701. Moneys to be Held in Trust 18
Section 702. Investment of Moneys in Project Fund and Bond Fund 18
Section 703. Record Keeping 19

ARTICLE VIII

GENERAL COVENANTS AND PROVISIONS

Section 801. Payment of Principal and Interest 19
Section 802. Authority to Execute Indenture and Issue Bonds 19
Section 803. Performance of Covenants 19
Section 804. Instruments of Further Assurance 19
Section 805. Recordings and Filings 20
Section 806. Inspection of Books 20
Section 807. Enforcement of Rights Under the Lease 20

ARTICLE IX

DEFAULT AND REMEDIES

Section 901 Events of Default; Notice; Opportunity to Cure 20
Section 902. Acceleration of Maturity in Event of Default 21
Section 903. Surrender of Possession of Trust Estate; Rights and Duties of Trustee in Possession 21
Section 904. Appointment of Receivers in Event of Default 22
Section 905. Exercise of Remedies by the Trustee 22
Section 906. Limitation on Exercise of Remedies by Owners 22
Section 907. Right of Owners to Direct Proceedings 23
Section 908. Application of Moneys in Event of Default 23

Section 909. Remedies Cumulative....24
Section 910. Waivers of Events of Default....25

ARTICLE X

THE TRUSTEE

Section 1001. Acceptance of the Trusts....25
Section 1002. Fees, Charges and Expenses of the Trustee....27
Section 1003. Notice to Owners if Default Occurs....28
Section 1004. Intervention by the Trustee....28
Section 1005. Successor Trustee Upon Merger, Consolidation or Sale....28
Section 1006. Resignation of Trustee....28
Section 1007. Removal of Trustee....29
Section 1008. Appointment of Successor Trustee....29
Section 1009. Vesting of Trusts in Successor Trustee....29
Section 1010. Right of Trustee to Pay Taxes and Other Charges....29
Section 1011. Trust Estate May be Vested in Co-Trustee....30
Section 1012. Accounting....30
Section 1013. Performance of Duties Under the Lease....30

ARTICLE XI

SUPPLEMENTAL INDENTURES

Section 1101. Supplemental Indentures Not Requiring Consent of Owners....31
Section 1102. Supplemental Indentures Requiring Consent of Owners....31
Section 1103. JCMG Investment's Consent to Supplemental Indentures....32
Section 1104. Opinion of Counsel....32

ARTICLE XII

SUPPLEMENTAL LEASES

Section 1201. Supplemental Leases Not Requiring Consent of Owners....32
Section 1202. Supplemental Leases Requiring Consent of Owners....32
Section 1203. Opinion of Counsel....33

ARTICLE XIII

SATISFACTION AND DISCHARGE OF INDENTURE

Section 1301. Satisfaction and Discharge of this Indenture....33
Section 1302. Bonds Deemed to be Paid....33

ARTICLE XIV

MISCELLANEOUS PROVISIONS

Section 1401. Consents and Other Instruments by Owners....34
Section 1402. Limitation of Rights Under this Indenture....35

Section 1403. Notices 35
Section 1404. Severability 36
Section 1405. Execution in Counterparts 36
Section 1406. Governing Law 36
Section 1407. Electronic Transaction 36
Section 1408. City Consent and Approvals 36
Section 1409. Anti-Discrimination Against Israel Act 36
Section 1409. Performance by JCMG PC 37

Signature and Seals S-1

Exhibit A – Project Site
Exhibit B – Form of Bonds
Exhibit C – Form of Representation Letter

REAL PROPERTY TRUST INDENTURE

THIS REAL PROPERTY TRUST INDENTURE, dated as of December 1, 2022 (this **"Indenture"**), between the **CITY OF JEFFERSON, MISSOURI**, a home rule charter city organized and existing under the laws of the State of Missouri (the **"City"**), and **BOKF, N.A.**, a national banking association duly organized and existing and authorized to accept and execute trusts of the character herein set forth under the laws of the United States of America, with a corporate trust office located in St. Louis, Missouri, as trustee (the **"Trustee"**);

RECITALS:

1. The City is authorized and empowered pursuant to the provisions of Article VI, Section 27(b) of the Missouri Constitution, Sections 100.010 through 100.200, inclusive, of the Revised Statutes of Missouri (collectively, the **"Act"**) and the City Charter to purchase, construct, extend, improve and equip certain projects (as defined in the Act), to issue industrial revenue bonds for the purpose of providing funds to pay the costs of such projects and to lease or otherwise dispose of such projects to private persons or corporations for manufacturing, commercial, office industry, warehousing and industrial development purposes upon such terms and conditions as the City deems advisable.

2. Pursuant to the Act, the City Council of the City gave notice to the affected taxing jurisdictions in accordance with Section 100.059.1 of the Act regarding the City's intent to approve the issuance of two separate series of industrial development revenue bonds under the Act in order to finance the costs of a project for Jefferson City Medical Group, P.C., a Missouri professional corporation (**"JCMG PC"**) consisting of (a) constructing an approximately 28,000 square foot stand-alone outpatient surgery center (the **"Project Improvements"**) on an approximately 6.85 acre site located at 3520 West Edgewood Drive in the City (as legally described on **Exhibit A**, the **"Project Site"**), which will be occupied by JCMG PC, and (b) acquiring and installing certain equipment and other personal property within the Project Improvements (the **"Project Equipment"**).

3. Following notice to the affected taxing jurisdictions in accordance with Section 100.059.1 of the Act, the City Council of the City adopted Ordinance No. [_____] on December 19, 2022 (the **"Ordinance"**), (a) approving a plan for the industrial development project, (b) authorizing the issuance of Taxable Industrial Development Revenue Bonds (JCMG – Real Property Project), Series 2022, in the maximum principal amount of $15,700,000 (the **"Bonds"**), for the purpose of acquiring the Project Site and constructing the Project Improvements located thereon (the Project Site and Project Improvements being collectively referred to herein as the **"Real Property"**), and (c) authorizing the issuance of Taxable Industrial Development Revenue Bonds (JCMG – Personal Property Project), Series 2022, in the maximum principal amount of $2,100,000 (the **"Personal Property Bonds"**), for the purpose of acquiring and installing the Project Equipment within the Project Improvements.

4. Pursuant to the Ordinance, the City is authorized to enter into (a) this Indenture with the Trustee for the purpose of issuing and securing the Bonds, as herein provided, (b) a Real Property Lease Agreement of even date herewith (the **"Lease"**) with JCMG Investment, LLC, a Missouri limited liability company (together with its successors and assigns, **"JCMG Investment"**), under which the City will acquire the Real Property and will lease the Real Property to JCMG Investment (which will sublease the Real Property to JCMG PC) in consideration of rental payments by JCMG Investment that will be sufficient to pay the principal of and interest on the Bonds, and (c) a Performance Agreement of even date herewith (the **"Performance Agreement"**) with JCMG Investment and JCMG PC, pursuant to which JCMG Investment and JCMG PC have agreed to make certain payments in lieu of taxes with respect to the Real Property and the Project Equipment respectively.

5. All things necessary to make the Bonds, when authenticated by the Trustee and issued as provided in this Indenture, 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 (as defined herein) 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 REAL PROPERTY TRUST INDENTURE WITNESSETH:

GRANTING CLAUSES

That the City, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Bonds by the Owners (as defined herein) thereof, and of other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the principal of and interest on all of the Bonds issued and Outstanding (as defined herein) under this Indenture from time to time according to their tenor and effect, and to secure the performance and observance by the City of all the covenants, agreements and conditions herein and in the Bonds contained, does hereby pledge and assign to the Trustee and its successors and assigns forever, subject to Permitted Encumbrances, 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 of the City in and to the Real Property, subject to JCMG Investment's rights under the Lease, together with the tenements, hereditaments, appurtenances, rights, easements, privileges and immunities thereunto belonging or appertaining and, to the extent permissible, all permits, certificates, approvals and authorizations;

(b) All right, title and interest of the City in, to and under the Lease (excluding the Unassigned Rights, as defined herein), and all rents, revenues and receipts derived by the City from the Real Property including, without limitation, all rentals and other amounts to be received by the City and paid by JCMG Investment under and pursuant to and subject to the provisions of the Lease; and

(c) All moneys and securities from time to time held by or now or hereafter required to be paid to 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 Owners 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 pays, or causes 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 provides for the payment thereof (as provided in **Article XIII**), and pays or causes to be paid to the Trustee all other sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this Indenture and the rights hereby granted shall cease, determine and be void; otherwise, this Indenture shall be and remain in full force and effect.

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

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to any words and terms defined in the Lease (which definitions are hereby incorporated by reference) and any words 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:

"Act" means, collectively, Article VI, Section 27(b) of the Missouri Constitution and Sections 100.010 through 100.200 of the Revised Statutes of Missouri.

"Additional Rent" means the additional rental described in **Section 5.2** of the Lease.

"Approved Investor" means (a) JCMG Investment, (b) JCMG PC, (c) a Financing Party or (c) any Person approved by the City Council of the City.

"Authorized City Representative" means the Mayor, the City Administrator, Finance Director, City Clerk or such other Person at the time designated to act on behalf of the City as evidenced by written certificate furnished to JCMG Investment and the Trustee containing the specimen signature of such Person and signed on behalf of the City by its Mayor. Such certificate may designate an alternate or alternates, each of whom may perform all duties of the Authorized City Representative.

"Authorized JCMG Investment Representative" means the Person at the time designated to act on behalf of JCMG Investment as evidenced by written certificate furnished to the City and the Trustee containing the specimen signature of such Person and signed on behalf of JCMG Investment by an authorized officer of JCMG Investment. Such certificate may designate an alternate or alternates, each of whom may perform all duties of the Authorized JCMG Investment Representative.

"Authorized JCMG PC Representative" means the Person at the time designated to act on behalf of JCMG PC as evidenced by written certificate furnished to the City and the Trustee containing the specimen signature of such Person and signed on behalf of JCMG PC by an authorized officer of

JCMG PC. Such certificate may designate an alternate or alternates, each of whom may perform all duties of the Authorized JCMG PC Representative.

"Basic Rent" means the rental described in **Section 5.1** of the Lease.

"Bond" or **"Bonds"** means the Taxable Industrial Development Revenue Bonds (JCMG – Real Property Project), Series 2022, in the maximum aggregate principal amount of $15,700,000, issued, authenticated and delivered under and pursuant to this Indenture.

"Bond Fund" means the "City of Jefferson, Missouri, Bond Fund – JCMG Real Property Project" created in **Section 501** of this Indenture.

"Bond Purchase Agreement" means the Real Property Bond Purchase Agreement dated as of December 1, 2022, by and between the City and the Purchaser.

"Business Day" means any day other than a Saturday or Sunday or legal holiday or a day on which banks located in the city in which the principal corporate trust office or the principal payment office of the Trustee are required or authorized by law to remain closed.

"City" means the City of Jefferson, Missouri, a home rule charter city organized and existing under the laws of the State.

"Closing Date" means the date identified in the Bond Purchase Agreement for the initial issuance and delivery of the Bonds.

"Closing Price" means the amount specified in writing by the Purchaser and agreed to by the City as the amount required to pay for the initial issuance of the Bonds on the Closing Date, which amount may consists of all or a portion of the Project Costs spent by JCMG Investment, or by JCMG PC on behalf of JCMG Investment, from its own funds before the Closing Date, and, at JCMG Investment's option, the costs of issuance of the Bonds if such costs are not paid from Bond proceeds.

"Completion Date" means the date of execution of the certificate required by **Section 4.5** of the Lease and **Section 504** of this Indenture, which shall be deemed executed and filed on December 31, 2022, if not actually executed and filed by December 31, 2022, except as otherwise provided in **Section 4.5** of the Lease.

"Cumulative Outstanding Principal Amount" means the aggregate principal amount of all Bonds Outstanding under the provisions of this Indenture, not to exceed $15,700,000 as reflected in the records maintained by the Trustee as provided in the Bonds and this Indenture.

"Event of Default" means, with respect to this Indenture, any Event of Default as defined in **Section 901** and, with respect to the Lease, any Event of Default as described in **Section 12.1** of the Lease.

"Financing Document" means any loan agreement, credit agreement, security agreement, mortgage, participation agreement, lease agreement, sublease, ground lease, hedging agreement or other document related to the Real Property and executed by or on behalf of, or for the benefit of, a Financing Party.

"Financing Party" means 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, letter of credit or credit support for or in connection with such financing or hedging arrangements, in connection with the development, construction, ownership, lease, operation or maintenance of the Real Property or interests or rights in the Lease, or any part thereof, including any trustee or agent acting on any such Person's behalf.

"Full Insurable Value" means the reasonable replacement cost of the Real Property less physical depreciation and exclusive of land, excavations, footings, foundation and parking lots as determined at the expense of JCMG Investment from time to time.

"Government Securities" means direct obligations of, or obligations the payment of principal of and interest on which are unconditionally guaranteed by, the United States of America.

"Indenture" means this Real Property Trust Indenture, as from time to time amended and supplemented by Supplemental Indentures in accordance with the provisions of **Article XI** of this Indenture.

"Investment Securities" means any investment approved in writing by the Authorized City Representative and the Owners of all of the Outstanding Bonds.

"JCMG Investment" means JCMG Investment, LLC, a Missouri limited liability company, and its successors or assigns.

"JCMG PC" means Jefferson City Medical Group, P.C., a Missouri professional corporation, and its successors and assigns, as sublessee of the Real Property.

"Lease" means the Real Property Lease Agreement dated as of December 1, 2022 between the City, as lessor, and JCMG Investment, as lessee, as from time to time amended and supplemented by Supplemental Leases in accordance with the provisions thereof and of **Article XII** of this Indenture.

"Lease Term" means the period from the effective date of the Lease until the expiration thereof pursuant to **Section 3.2** of the Lease.

"Net Proceeds" means, when used with respect to any insurance or condemnation award with respect to the Real Property, the gross proceeds from the insurance or condemnation award remaining after payment of all expenses (including attorneys' fees, Trustee's fees and any extraordinary expenses of the City and the Trustee) incurred in the collection of such gross proceeds.

"Outstanding" when used with reference to Bonds, means, as of a particular date, all Bonds theretofore authenticated and delivered, except:

(a) Bonds previously canceled by the Trustee or delivered to the Trustee for cancellation;

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

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to this Indenture.

"Owner" means the registered owner of any Bond as recorded on the bond registration records maintained by the Trustee.

"Paying Agent" means 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.

"Payment Date" means the date on which the principal of or interest on any Bond, whether at the stated maturity thereof or the redemption date thereof, is payable, which shall be December 1 of each year that the Bonds are Outstanding.

"Performance Agreement" means the Performance Agreement dated as of December 1, 2022 between the City, JCMG Investment and JCMG PC.

"Permitted Encumbrances" means, as of any particular time, as the same may encumber the Project Site, (a) liens for ad valorem taxes, special assessments and other governmental charges not then delinquent, (b) this Indenture, the Lease, the Sublease and the Performance Agreement, (c) utility, access and other easements and rights-of-way, mineral rights, restrictions, exceptions and encumbrances that will not materially interfere with or impair the operations being conducted on the Project Site or easements granted to the City, (d) such minor defects, irregularities, encumbrances, easements, rights-of-way and clouds on title as normally exist with respect to properties similar in character to the Project Site and as do not in the aggregate materially impair the property affected thereby for the purpose for which it was acquired or is held by the City, (e) liens or security interests granted pursuant to any Financing Document, and (f) such exceptions to title set forth in the Ownership and Encumbrance Report, [_____] issued by [_____].

"Person" means 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.

"Plans and Specifications" means the plans and specifications prepared for and showing the Real Property, as amended from time to time before the Completion Date, the same being on file at the principal office of JCMG Investment and JCMG PC, and which shall be available for reasonable inspection during normal business hours and upon not less than one Business Day's prior notice by the City, the Trustee or their duly appointed representatives.

"Principal Amount Advanced" means the amount set forth in each requisition certificate in accordance with **Section 4.4** of the Lease, as reflected in the records maintained by the Trustee as provided in the Bonds and this Indenture.

"Project Costs" means all costs of purchasing the Project Site and constructing the Project Improvement thereon, including the following:

(a) all costs and expenses necessary or incident to the acquisition and construction of the Project Improvements on the Project Site;

(b) fees and expenses of architects, appraisers, surveyors and engineers for estimates, surveys, soil borings and soil tests and other preliminary investigations and items necessary to the commencement of construction, preparation of plans, drawings and specifications and supervision of construction, as well as for the performance of all other duties of professionals and consultants in relation to the construction of the Project Improvements or the issuance of the Bonds;

(c) all costs and expenses of every nature incurred in purchasing and constructing the Project Improvements and otherwise improving the Project Site, including the actual cost of labor and materials as payable to contractors, builders and materialmen in connection with the purchase and construction of the Real Property;

(d) interest accruing on the Bonds until the Completion Date;

(e) the cost of any insurance maintained in accordance with **Article VII** of the Lease;

(f) reasonable expenses of administration, supervision and inspection properly chargeable to the Real Property, legal fees and expenses, including fees of Bond Counsel, 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 purchase and construction of the Real Property;

(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, including costs of issuance of the Bonds; (2) the purchase and construction of the Real Property; and (3) the financing thereof; and

(h) reimbursement to JCMG Investment or those acting for it for any of the above enumerated costs and expenses incurred and paid by them before or after the execution of the Lease.

"Project Fund" means the "City of Jefferson, Missouri, Project Fund – JCMG Real Property Project" created in **Section 501**.

"Project Improvements" means the construction of an approximately 28,000 square foot stand-alone outpatient surgery center facility located on the Project Site including all additions, alterations, modifications and improvements thereto made pursuant to the Lease, which (a) will be occupied by JCMG PC, (b) is completed pursuant to **Article IV** of the Lease, and (c) is paid for in whole from proceeds of the Bonds.

"Project Site" means all of the real estate described in **Exhibit A.**

"Purchaser" means the Person identified in the Bond Purchase Agreement as the purchaser of the Bonds.

"Real Property" means the Project Site and the Project Improvements located thereon.

"State" means the State of Missouri.

"Sublease" means that certain lease by and between JCMG Investment, as sublessor, and JCMG PC, as sublessee, pursuant to which JCMG Investment subleases the Real Property to JCMG PC, as such lease may be amended from time to time.

"Supplemental Indenture" means 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" means any supplement or amendment to the Lease entered into pursuant to **Article XII** of this Indenture.

"Trust Estate" means the Trust Estate described in the Granting Clauses of this Indenture.

"Trustee" means BOKF, N.A., St. Louis, Missouri, a national banking association duly organized and existing and authorized to accept and execute trusts of the character herein set forth under the laws of the United States of America, 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.

"Unassigned Rights" means the City's rights under the Lease to receive moneys for its own account and the City's rights to indemnification or to be protected from liabilities by insurance policies required by the Lease, as provided in the Lease.

Section 102. 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 otherwise indicates, 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 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.

(d) All references in this instrument to designated "Articles," "Sections" and other subdivisions are, unless otherwise specified, to the designated Articles, Sections and other 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 other subdivision.

(e) 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 hereof.

(f) Whenever an item or items are listed after the word "including," such listing is not intended to be a listing that excludes items not listed.

Section 103. Date of Indenture. The dating of this Indenture as of December 1, 2022, is intended as and for the convenient identification of this Indenture only and is not intended to indicate that this Indenture was executed and delivered on said date, this Indenture being executed and delivered and becoming effective simultaneously with the initial issuance of the Bonds.

ARTICLE II

THE BONDS

Section 201. Title and Amount of Bonds. No Bonds may be issued under this Indenture except in accordance with the provisions of this Article. The Bonds authorized to be issued under this Indenture shall be designated as the "City of Jefferson, Missouri, Taxable Industrial Development Revenue Bonds (JCMG – Real Property Project), Series 2022." The maximum total principal amount of Bonds that may be issued hereunder is hereby expressly limited to $15,700,000.

Section 202. Nature of Obligation. 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 Real Property and the Lease and not from any other fund or source of the City. The Bonds are secured by a pledge and assignment of the Trust Estate to the Trustee in favor of the Owners, as provided in this Indenture. The Bonds and the interest thereon shall not constitute general obligations of the City, the State or any political subdivision thereof, and none of the City, the State or any political subdivision thereof shall be liable thereon, and the Bonds shall not constitute an indebtedness within the meaning of any constitutional, statutory or charter debt limitation or restriction and are not payable in any manner by taxation.

Section 203. Denomination, Number and Dating of the Bonds.

(a) The Bonds shall be issuable in the form of one fully-registered Bond, in substantially the form set forth in **Exhibit B**, in the denomination of $0.01 or any multiple thereof.

(b) The Bonds shall be dated by the Trustee as of the date of initial delivery thereof as provided herein. If the Bonds are at any time thereafter transferred, any replacement 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.

(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 named in the Bonds. The payment of principal of the Bonds shall be noted on the Bonds on **Schedule I** thereto and the registration books maintained by the Trustee pursuant to **Section 206**. Payment of the interest on the Bonds shall be made by the Trustee on each Payment Date to the Person appearing on the registration books of the Trustee hereinafter provided for as the Owner thereof on the 15th day (whether or not a Business Day) of the calendar month next preceding such Payment Date by check or draft mailed to such Owner at such Owner's address as it appears on such registration books.

(c) The Bonds and the original **Schedule I** thereto shall be held by the Trustee in trust, unless otherwise directed in writing by the Owner. If the Bonds are held by the Trustee, the Trustee shall, on each Payment Date, send a revised copy of **Schedule I** via facsimile or other electronic means to the Owner, JCMG Investment (if not the Owner) and the City. Absent manifest error, the amounts shown on **Schedule I** as noted by the Trustee shall be conclusive evidence of the principal amount paid on the Bonds.

(d) If there is one Owner of the Bonds, the Trustee is authorized to make the final or any interim payments of principal of such Bonds by internal bank transfer or by electronic transfer to an account at a commercial bank or savings institution designated in writing by such Owner and located in the continental United States. The Trustee is also authorized to make interest payments on such Bonds by internal bank transfer or by electronic transfer to an account at a commercial bank or savings institution designated in writing by such Owner and located in the continental United States.

(e) If JCMG Investment or any Financing Party is the sole Owner of the Bonds and the lessee under the Lease, then JCMG Investment may set-off its obligation to the City as lessor to pay Basic Rent under the Lease against the City's obligation to JCMG Investment as bondholder to pay principal of and interest on the Bonds under this Indenture. The Trustee may conclusively rely on the absence of any notice from JCMG Investment to the contrary as evidence that such set-off has occurred and that pursuant to the set-off, JCMG Investment is deemed to have paid its obligation to the City as lessor to pay Basic Rent under the Lease and the JCMG Investment is deemed to have paid its obligation to JCMG Investment as bondholder to pay principal of and interest on the Bonds under this Indenture. On the final Payment Date, JCMG Investment may deliver to the Trustee for cancellation the Bonds and JCMG Investment shall receive a credit against the Basic Rent payable by JCMG Investment under **Section 5.1** of the Lease in an amount equal to the remaining principal of the Bonds so tendered for cancellation plus accrued interest thereon.

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. If any officer whose signature or facsimile thereof appears on the Bonds ceases to be such officer before the delivery of such 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. Any Bond may be signed by such Persons as at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond 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 **Exhibit B**, which shall be manually executed by the Trustee. No Bond shall be entitled to any security or benefit under this Indenture or shall be valid or obligatory for any purposes until such Certificate of Authentication has been duly executed by the Trustee. The executed Certificate of Authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Indenture. The Certificate of Authentication on any Bond shall be deemed to have been duly executed if signed by any authorized signatory of the Trustee.

Section 206. Registration, Transfer and Exchange of Bonds.

(a) The Trustee shall keep books for the registration and transfer of Bonds as provided in this Indenture.

(b) The Bonds may be transferred to an Approved Investor only upon the books kept for the registration and transfer of Bonds upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or such Owner's attorney or legal representative in such form as shall be satisfactory to the Trustee. In connection with any such transfer of the Bonds, the City and the Trustee shall receive an executed representation letter signed by the proposed assignee in substantially the form of **Exhibit C**. The Trustee has no duty or obligation to confirm that any transferee that provides such representation letter is an Approved Investor. 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 or Bonds, 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 Bonds are exchanged or transferred hereunder the provisions of any legend restrictions on the Bonds shall be complied with and the City shall execute and the Trustee shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this Indenture. All Bonds surrendered in any such exchange or transfer shall forthwith be canceled by the Trustee. The City or the Trustee may make a reasonable charge for every such exchange or transfer of Bonds sufficient to reimburse it for 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 of Bonds during the 15 days immediately preceding a Payment Date on the Bonds or, in the case of any proposed redemption of Bonds, during the 15 days immediately preceding the selection of Bonds for such redemption or after such Bonds or any portion thereof has been selected for redemption.

(d) If any Owner fails to provide a certified taxpayer identification number to the Trustee, the Trustee may make a charge against such Owner sufficient to pay any governmental charge required to be paid as a result of such failure, which amount may be deducted by the Trustee from amounts otherwise payable to such Owner under such Owner's Bond.

Section 207. Persons Deemed Owners of Bonds. As to any Bond, the Person in whose name the same is registered as shown on the bond registration books required by **Section 206** shall be deemed and regarded as the absolute owner thereof for all purposes. 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 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) The Bonds are authorized in the aggregate maximum principal amount of $15,700,000 for the purpose of providing funds to pay Project Costs, which Bonds shall be designated the "City of Jefferson, Missouri, Taxable Industrial Development Revenue Bonds (JCMG – Real Property Project), Series 2022." The Bonds shall be dated as provided in **Section 203(b)** hereof, shall become due on December 1, 2032 (subject to prior redemption as provided in **Article III**) and shall bear interest as specified in **Section 208(f)**, payable on the dates specified in **Section 208(f)**.

(b) The Trustee is hereby designated as the Paying Agent. The Owners of a majority of Bonds then-Outstanding may designate a different Paying Agent upon written notice to the City and the Trustee.

(c) The Bonds shall be executed without material variance from the form and in the manner set forth in **Exhibit B** and delivered to the Trustee for authentication. 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) a certified copy of the Ordinance;

(2) executed counterparts or copies of this Indenture, the Lease, the Performance Agreement and the Bond Purchase Agreement;

(3) a representation letter from the Purchaser in substantially the form attached as **Exhibit C**;

(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 or at the written direction of the Purchaser 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 the name of the Purchaser and the amount of such purchase price; and

(5) such other certificates, statements, receipts and documents as the Trustee shall reasonably require for the delivery of the Bonds.

(d) When the documents specified in subsection (c) of this Section have been filed with the Trustee, and when the Bonds have been executed and authenticated as required by this Indenture, either:

(1) the Purchaser shall pay the Closing Price to the Trustee, and the Trustee shall endorse the Bonds in an amount equal to the Closing Price and then either hold the Bonds in trust or if so directed in writing deliver the Bonds to or upon the order of the Purchaser; or

(2) JCMG Investment shall submit a requisition certificate in accordance with **Section 4.4** of the Lease, in an amount equal to the Closing Price, and the Trustee shall authenticate and endorse the Bonds in an amount equal to the Closing Price and then either hold the Bonds in trust or if so directed in writing deliver the Bonds to JCMG Investment (or another purchaser or Financing Party designated by JCMG Investment).

In either case, the Purchaser shall be deemed to have paid over to the Trustee, and the Trustee shall be deemed to have deposited into the Project Fund, an amount equal to the Closing Price.

(e) Following the initial issuance and delivery of the Bonds, JCMG Investment, or JCMG PC on behalf of JCMG Investment, may submit additional requisition certificates in accordance with **Section 4.4** of the Lease. If the Purchaser does not pay to the Trustee the amount set forth in the requisition certificate, the Purchaser will be deemed to have advanced an amount equal to the amount set forth in the requisition certificate and, if the Trustee is holding the Bonds, the Trustee shall endorse the Bonds in an amount equal to the amount set forth in each requisition certificate. The date of endorsement of each Principal Amount Advanced as set forth on **Schedule I** to the Bonds shall be the date of the City's approval of each requisition certificate. The Trustee shall keep a record of the total requisitions submitted to the Trustee for the Real Property, and shall notify the City if the requisitions submitted exceed the maximum principal amount of the Bonds.

(f) The Bonds shall bear interest at the rate of 5.00% per annum on the Cumulative Outstanding Principal Amount of the Bonds. Such interest shall be payable in arrears on each December 1, commencing on December 1, 2023, and continuing thereafter until the Cumulative Outstanding Principal Amount is paid in full, but not later than December 1, 2032. Interest shall be calculated on the basis of a year of 360 days consisting of 12 months of 30 days each.

(g) The Trustee shall keep and maintain a record of the amount deposited or deemed to be deposited into the Project Fund pursuant to the terms of this Indenture as the "Principal Amount Advanced" and shall enter the aggregate principal amount of the Bonds then-Outstanding on its records as the "Cumulative Outstanding Principal Amount." If the Trustee is holding the Bonds, such advanced amounts shall be reflected on **Schedule I** to the Bonds. To the extent that advances are deemed to have been made pursuant to a requisition, the Trustee's records of such advances shall be based solely on the requisitions provided to it. On each date upon which a portion of the Cumulative Outstanding Principal Amount is paid to the Owners, pursuant to the redemption provisions of this Indenture, the Trustee shall enter on its records and **Schedule I** to the Bonds, if the Trustee is holding the Bonds, the principal amount paid on the Bonds as the "Principal Amount Redeemed" and shall enter the then-Outstanding principal amount of the Bonds as the "Cumulative Outstanding Principal Amount." The records maintained by the Trustee as to amounts deposited into the Project Fund or principal amounts paid on the Bonds shall be the official records of the Cumulative Outstanding Principal Amount for all purposes, absent manifest error, and shall be in substantially the form of the Table of Cumulative Outstanding Principal Amount as set out in the form of Bonds in **Exhibit B**. To the extent JCMG Investment sets-off its obligation to the City as lessee under the Lease against the City's obligation to JCMG Investment as permitted by **Section 204(e)** the Trustee shall not be required to confirm that such set-off has occurred. If any moneys are deposited by the Trustee into the Project Fund, then the Trustee shall provide a statement of receipts and disbursements with respect thereto to the City and JCMG Investment on a monthly basis. After the Project Improvements have been completed and the certificate of payment of all costs is filed as provided in **Section 504**, the Trustee, to the extent it has not already done so pursuant to this Section or **Section 1012**, shall file a final statement of receipts and disbursements with respect thereto with the City and JCMG Investment.

Section 209. Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond becomes mutilated or is lost, stolen or destroyed, the City shall execute and the Trustee shall authenticate and deliver a new Bond of like series, date and tenor as the Bond mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the City and the Trustee evidence of

such loss, theft or destruction satisfactory to the Trustee, together with indemnity satisfactory to the Trustee to save, defend and hold each of the City and the Trustee harmless. If any such Bond has matured, instead of delivering a substitute Bond, the Trustee may pay 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 210. Cancellation and Destruction of Bonds Upon Payment.

(a) All Bonds that have been paid or redeemed or that the Trustee has purchased or that have otherwise been surrendered to the Trustee under this Indenture, either at or before maturity shall be canceled by the Trustee immediately upon the payment, redemption or purchase of such Bonds and the surrender thereof to the Trustee.

(b) All Bonds canceled under any of the provisions of this Indenture shall be destroyed by the Trustee in accordance with applicable laws and regulations and the Trustee's policies and practices. The Trustee shall execute a certificate describing the Bonds so destroyed, and shall file executed counterparts of such certificate with the City and JCMG Investment.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption of Bonds.

(a) The Bonds are subject to redemption and payment at any time before the stated maturity thereof, at the option of the City, upon written instructions from JCMG Investment, (1) in whole, if JCMG Investment, in accordance with the terms of the Lease, exercises its option to purchase the Real Property and deposits an amount sufficient to effect such purchase pursuant to the Lease on the applicable redemption date, or (2) in part, if JCMG Investment prepays additional Basic Rent pursuant to the Lease. If only a portion of the Bonds are to be redeemed, (A) Bonds aggregating at least 10% of the maximum aggregate principal amount of Bonds authorized hereunder shall not be subject to redemption and payment before the stated maturity thereof, and (B) the Trustee shall keep a record of the amount of Bonds to remain Outstanding following such redemption. Any redemption of Bonds pursuant to this paragraph shall be at a redemption price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the redemption date.

(b) The Bonds are subject to mandatory redemption, in whole or in part, to the extent of amounts deposited in the Bond Fund pursuant to **Sections 9.1(f)** or **9.2(c)** of the Lease, in the event of substantial damage to or destruction or condemnation of substantially all of the Real Property. Bonds to be redeemed pursuant to this paragraph shall be called for redemption by the Trustee on the earliest practicable date for which timely notice of redemption may be given as provided hereunder. Any redemption of Bonds pursuant to this paragraph shall be at a redemption price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the redemption date. Before giving notice of redemption to the Owners pursuant to this paragraph (b), money in an amount equal to the redemption price shall have been deposited in the Bond Fund.

(c) At its option, JCMG Investment may deliver to the Trustee for cancellation any Bonds owned by JCMG Investment and not previously paid, and JCMG Investment shall receive a credit against

the amounts payable by JCMG Investment for the redemption of such Bonds in an amount equal to the principal amount of the Bonds so tendered for cancellation, plus accrued interest.

Section 302. Effect of Call for Redemption. Before or on the date fixed for redemption, funds, Government Securities or a combination thereof, shall be placed with the Trustee which are sufficient to pay the Bonds 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 of Bonds thus called for redemption shall cease to bear interest on the specified redemption date, 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 the Bonds are fully redeemed before 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 JCMG Investment's direction, deliver to JCMG Investment the items described in **Section 11.2** of the Lease.

Section 303. Notice of Redemption. If the Bonds are to be called for redemption as provided in **Section 301(a)**, JCMG Investment shall deliver written notice to the City and the Trustee that it has elected to redeem all or a portion of the Bonds at least 40 days (10 days if there is one Owner) before the scheduled redemption date. The Trustee shall then deliver written notice to the Owners at least 30 days (five days if there is one Owner) before the scheduled redemption date by first-class mail (or facsimile, if there is one Owner) stating the date upon which the Bonds will be redeemed and paid, unless such notice period is waived by the Owners in writing.

ARTICLE IV

FORM OF BONDS

Section 401. Form Generally. The Bonds and the Trustee's Certificate of Authentication to be endorsed thereon shall be issued in substantially the forms set forth in **Exhibit B**. 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.

ARTICLE V

CUSTODY AND APPLICATION OF BOND PROCEEDS

Section 501. Creation of Funds. There are hereby created and ordered to be established in the custody of the Trustee the following special trust funds in the name of the City:

(a) "City of Jefferson, Missouri, Project Fund – JCMG Real Property Project" (herein called the **"Project Fund"**).

(b) "City of Jefferson, Missouri, Bond Fund – JCMG Real Property Project" (herein called the **"Bond Fund"**).

Section 502. Deposits into the Project Fund. The proceeds of the sale of the Bonds (whether actually paid or deemed paid under **Section 208(d)**), including Additional Payments as defined in the Bond Purchase Agreement, when received, excluding such amounts required to be paid into the Bond Fund pursuant to **Section 601**, shall be deposited by the Trustee into the Project Fund. Any money received by the Trustee from any other source for the purpose of purchasing the Project Site and/or constructing the Project Improvements thereon shall pursuant to any written directions from the Person depositing such moneys also be deposited into the Project Fund.

Section 503. Disbursements from the Project Fund.

(a) The moneys in the Project Fund shall be disbursed by the Trustee for the payment of, or reimbursement to JCMG Investment (or any other party that has made payment on behalf of JCMG Investment) for payment of, Project Costs upon receipt of requisition certificates signed by JCMG Investment, or JCMG PC on behalf of JCMG Investment with a copy to JCMG Investment, in accordance with the provisions of **Article IV** of the Lease. The Trustee hereby covenants and agrees to disburse such moneys in accordance with such provisions.

(b) If, pursuant to **Sections 208(d)** or **(e)**, the Trustee is deemed to have deposited into the Project Fund the amount specified in a requisition certificate submitted by JCMG Investment, or JCMG PC on behalf of JCMG Investment with a copy to JCMG Investment, to the Trustee in accordance with the provisions of **Article IV** of the Lease, the Trustee shall upon endorsement of the Bonds in an equal amount be deemed to have disbursed such funds from the Project Fund to JCMG Investment (or such other Person designated by JCMG Investment) in satisfaction of such requisition certificate. If the Trustee is holding the Bonds, such deemed disbursement will be deemed to have been made on the date the Trustee endorses the Bonds with respect to such additional amount.

(c) In paying any requisition under this Section, 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 JCMG Investment Representative or by the Authorized JCMG PC Representative on behalf of JCMG Investment with a copy to JCMG Investment. If the City so requests in writing, a copy of each requisition certificate submitted to the Trustee for payment under this Section shall be promptly provided by the Trustee to the City. 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.

Section 504. Completion of the Project Improvements. The completion of the construction of the Project Improvements and payment of all costs and expenses incident thereto shall be evidenced by the filing with the Trustee of the certificate required by the provisions of **Section 4.5** of the Lease. As soon as practicable after the Completion Date, any balance remaining in the Project Fund shall without further authorization be transferred by the Trustee to the Bond Fund and applied as provided in **Section 4.6** of the Lease.

Section 505. Disposition Upon Acceleration. If the principal of the Bonds has become due and payable pursuant to **Section 902**, upon the date of payment by the Trustee of any moneys due as hereinafter provided in **Article IX**, any balance remaining in the Project Fund shall without further authorization be deposited in the Bond Fund by the Trustee, with advice to the City and JCMG Investment of such action.

ARTICLE VI

REVENUES AND FUNDS

Section 601. Deposits into the Bond Fund.

(a) The Trustee shall deposit into the Bond Fund, as and when received, (1) all accrued interest on the Bonds, if any, paid by the Purchaser; (2) all Basic Rent payable by JCMG Investment to the City specified in **Section 5.1** of the Lease; (3) any Additional Rent payable by JCMG Investment specified in **Section 5.2** of the Lease; (4) any amount in the Project Fund to be transferred to the Bond Fund pursuant to **Section 504** upon completion of the Project Improvements or pursuant to **Section 505** upon acceleration of the Bonds; (5) subject to the terms and conditions of any Financing Document with respect to the use thereof, the balance of any Net Proceeds of condemnation awards or insurance received by the Trustee pursuant to **Article IX** of the Lease; (6) the amounts to be deposited in the Bond Fund pursuant to **Sections 9.1(f)** and **9.2(c)** of the Lease; (7) all interest and other income derived from investments of Bond Fund moneys as provided in **Section 702**; and (8) all other moneys received by the Trustee under and pursuant to any of the provisions of the Lease when accompanied by written directions from the Person depositing such moneys that such moneys are to be paid into the Bond Fund.

(b) Whether or not deposits are being made to the Trustee, the Trustee shall notify JCMG Investment in writing, at least 15 days before each date on which a payment is due under **Section 5.1** of the Lease, of the amount that is payable by JCMG Investment pursuant to such Section.

Section 602. Application of Moneys in the Bond Fund.

(a) Except as provided in **Section 604** and **Section 908** hereof and **Section 4.6** of the Lease, moneys in the Bond Fund shall be expended solely for the payment of the principal of and interest on the Bonds as the same matures and becomes due or upon the redemption thereof before 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 601** above, 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 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 before and until such redemption, the City covenants and agrees, upon request of JCMG Investment, 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 JCMG Investment. 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** so long as JCMG Investment 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.

(d) After payment in full of the principal of and interest, if any, on the Bonds (or provision has been made for the payment thereof as provided in this Indenture) and the fees, charges and expenses of the Trustee, the City and any Paying Agent and any other amounts required to be paid under this

Indenture, the Lease and the Performance Agreement, all amounts remaining in the Bond Fund shall be paid to JCMG Investment upon the expiration or sooner termination of the Lease.

Section 603. Payments Due on Days Other than Business Days. 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 is not a Business Day, 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 604. Nonpresentment of Bonds. If any Bond is not 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 Bond shall have been made available to the Trustee, all liability of the City to the Owner thereof for the payment of such Bond 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 Owner of such Bond 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 Bond. If any Bond is not presented for payment within one year following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall without liability for interest thereon repay to JCMG Investment the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of JCMG Investment, and the Owner thereof may look only to JCMG Investment for payment, and then only to the extent of the amount so repaid, and JCMG Investment shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

ARTICLE VII

SECURITY FOR DEPOSITS AND INVESTMENT OF 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 Project Fund under any provision of this Indenture, and all moneys deposited with or paid to any Paying Agent under any provision of this Indenture, shall be held by the Trustee or Paying Agent in trust and shall be applied only in accordance with the provisions of this Indenture and the Lease, and, until used or applied as herein provided, shall constitute part of the Trust Estate and be subject to the lien hereof. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys received hereunder.

Section 702. Investment of Moneys in Project Fund and Bond Fund. Moneys held in the Project Fund and the Bond Fund shall, pursuant to written direction of JCMG Investment, signed by the Authorized Company Representative, be separately invested and reinvested by the Trustee in Investment Securities which mature or are subject to redemption by the Owner before the date such funds will be needed. If JCMG Investment fails to provide written directions concerning investment of moneys held in the Project Fund and the Bond Fund, the Trustee shall hold such amounts uninvested in cash. The Trustee may conclusively rely upon the Authorized JCMG Investment Representative's written instructions as to both the suitability and legality of the directed investments and such written direction shall be deemed to be a certification that such directed investments constitute Investment Securities. The Trustee is specifically authorized to implement its automated cash investment system to assure that cash on hand is invested and to charge its normal cash management fees and cash sweep account fees, which may be

deducted from income earned on investments; provided that any such fees shall not exceed the interest income on the investment. 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 the existence of an Event of Default, the Trustee shall direct the investment of moneys in the Bond Fund and the Project 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 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 and with the provisions of **Article VI** while any of the Bonds are Outstanding.

ARTICLE VIII

GENERAL COVENANTS AND PROVISIONS

Section 801. Payment of Principal and Interest. The City covenants and agrees that it will, but solely from the rents, revenues and receipts derived from the Real Property 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 interest on the Bonds as they become due and payable at the place, on the dates and in the manner provided herein and in the Bonds according to the true intent and meaning thereof. Nothing herein shall be construed as requiring the City to operate the Real Property 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 Real Property.

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 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 Owners thereof are and will be valid and enforceable obligations of the City according to the import thereof.

Section 803. Performance of Covenants. The City covenants that it will faithfully perform or cause to be performed at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in the Bonds and in all proceedings of its City Council pertaining thereto. The Trustee may take such action as it 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 it 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 property and revenues herein described to the payment of the principal of and interest, if any, on the Bonds, upon being first

indemnified by JCMG Investment or JCMG PC for the cost thereof. The City covenants and agrees that, except as herein and in the Lease provided, it will not sell, convey, mortgage, encumber or otherwise dispose of any part of the Real Property or the rents, revenues and receipts derived therefrom or from the Lease, or of its rights under the Lease.

Section 805. Recordings and Filings. The City shall file or cause to be kept and filed all financing statements and hereby authorizes and directs the Trustee to file or cause to be kept and filed continuation statements with respect to such originally filed financing statements related to this Indenture and all supplements hereto and such other documents as may be required under the Uniform Commercial Code in order to fully preserve and protect the security of the Owners and the rights of the Trustee hereunder. The City will cooperate in causing this Indenture and all Supplemental Indentures, the Lease and all Supplemental Leases and all 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 Owners and the rights of the Trustee hereunder. The Trustee shall file continuation statements with respect to each Uniform Commercial Code financing statement relating to the Trust Estate filed by the City at the time of the issuance of the Bonds; provided that a copy of the filed initial financing statement is timely delivered to the Trustee. In addition, unless the Trustee has been notified in writing by the City that any such initial filing or description of collateral was or has become defective, the Trustee shall be fully protected in (a) relying on such initial filing and description of collateral in filing any financing or continuation statements or modifications thereto pursuant to this Section, and (b) filing any continuation statements in the same filing office as the initial filing was made. JCMG Investment shall be responsible for the customary fees charged by the Trustee for the preparation and filing of continuation statements and for the reasonable costs incurred by the Trustee in the preparation and filing of all continuation statements hereunder, including attorneys' fees and expenses. These fees shall be considered "extraordinary services" fees.

Section 806. Inspection of Books. The City covenants and agrees that all books and documents in its possession relating to the Real Property and the rents, revenues and receipts derived from the Real Property 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 Trustee, as assignee, transferee, pledgee and owner of a security interest under this Indenture, in its name or in the name of the City, may enforce all assigned rights of the City and the Trustee and all obligations of JCMG Investment under and pursuant to the Lease for and on behalf of the Owners, whether or not the City is in default hereunder.

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 of any Bond, whether at the stated maturity or accelerated maturity thereof, or at any date fixed for the 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 any date fixed for the redemption thereof;

(c) Default as specified in **Section 12.1** of the Lease has occurred; or

(d) Default in the performance or breach of any other covenant or agreement under this Indenture.

No default specified above shall constitute an Event of Default until the City, the Trustee or the Owners of 25% in aggregate principal amount of all Bonds Outstanding has given actual notice of such default by registered or certified mail or a recognized overnight delivery service to JCMG Investment and each Financing Party, and JCMG Investment and each Financing Party have had 30 days after receipt of such notice to correct said default or cause said default to be corrected and has not 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) is such that it cannot be corrected within such period, it shall not constitute an Event of Default if corrective action is instituted by JCMG Investment, any Financing Party or the City, as the case may be, within such period and diligently pursued until the default is corrected; provided, further that the Trustee is provided with a certification from the defaulting party to the effect that such default cannot be corrected within such period and JCMG Investment, any Financing Party or the City, as the case may be, has commenced or will promptly commence corrective action within such period and will diligently pursue such action until the default is corrected. Nothing herein shall constitute an obligation of any Financing Party to cure any defaults hereunder.

Section 902. Acceleration of Maturity in Event of Default.

(a) If an Event of Default has occurred and is continuing after the notice and cure period described in **Section 901** elapses, the Trustee may, and upon the written request of the City or the Owners of not less than 25% in aggregate principal amount of Bonds then-Outstanding, shall, by notice in writing delivered to the City, each Financing Party, JCMG Investment and JCMG PC, declare the principal of all Bonds then-Outstanding and the interest accrued thereon immediately due and payable, and such principal and interest and all other amounts due hereunder shall thereupon become and be immediately due and payable.

(b) If, at any time after such declaration, but before the Bonds have matured by their terms, all overdue installments of principal and interest upon the Bonds, together with the reasonable and proper expenses of the Trustee, and all other sums then payable by the City under this Indenture are either paid or provisions satisfactory to the Trustee are made for such payment, then and in every such case the Trustee shall, but only with the written approval of a majority of the Owners of the Bonds then-Outstanding, rescind such declaration and annul such default in its entirety. In such event, the Trustee shall rescind any declaration of acceleration of installments of rent payments on the Bonds as provided in **Section 11.1** of the Lease.

(c) In case of any rescission, then and in every such case the City, the Trustee, JCMG Investment and the Owners shall be restored to their former positions and rights hereunder respectively, but no such rescission shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

Section 903. Surrender of Possession of Trust Estate; Rights and Duties of Trustee in Possession. If an Event of Default has occurred and is continuing after the notice and cure period described in **Section 901** elapses, 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 Real Property 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, its agents and counsel, (b) any reasonable charges of the Trustee hereunder, (c) any taxes and assessments and other charges before the lien of this Indenture, (d) all expenses of such repairs and improvements and (e) any amounts payable under the Performance Agreement. The Trustee shall apply the remainder of the moneys so received in accordance with the provisions of **Section 908**. Whenever all that is due upon the Bonds has been paid and all defaults cured, 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 JCMG Investment a summarized statement of receipts and expenditures in connection therewith.

Section 904. Appointment of Receivers in Event of Default. If an Event of Default has occurred and is continuing after the notice and cure period described in **Section 901** elapses, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Owners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate or any part thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 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 all other amounts due hereunder, and to enforce and compel the performance of the duties and obligations of the City or JCMG Investment as herein set forth or as set forth in the Lease, respectively.

(b) If an Event of Default has occurred and is continuing after the notice and cure period described in **Section 901** elapses, and if requested in writing to do so by (1) the City (in the case of an Event of Default pursuant to **Section 12.1(a)** (but only as it relates to Additional Rent), **(b)** (but only as it relates to Unassigned Rights), **(c)** or **(d)** of the Lease), or (2) the Owners of 25% in aggregate principal amount of Bonds then-Outstanding and indemnified as provided in **Section 1001(l)**, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Article as the Trustee, being advised by counsel, shall deem most expedient and in the interests of the City or the Owners, as the case may be.

(c) All rights of action under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the 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 its name as Trustee without necessity of joining as plaintiffs or defendants any Owners, and any recovery of judgment shall, subject to the provisions of **Section 908**, be for the equal benefit of all the Owners of the Outstanding Bonds.

Section 906. Limitation on Exercise of Remedies by Owners. No Owner shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or

for the execution of any trust hereunder or for the appointment of a receiver or any other remedy hereunder, unless (a) a default has occurred of which the Trustee has been notified as provided in **Section 1001(h)** or of which by said subsection the Trustee is deemed to have notice, (b) such default has become an Event of Default, (c) the Owners of 25% in aggregate principal amount of Bonds then-Outstanding have made written request to the Trustee, have offered it reasonable opportunity either to proceed for such reasonable period not to exceed 60 days following such notice and to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, and have offered to the Trustee indemnity as provided in **Section 1001(l)**, and (d) the Trustee thereafter fails or refuses 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 Owners 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 in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Owners of all Bonds then-Outstanding. Nothing in this Indenture contained shall, however, affect or impair the right of any Owner to payment of the principal of and interest on any Bond at and after the maturity thereof or the obligation of the City to pay the principal of and interest on each of the Bonds issued hereunder to the respective Owners thereof at the time, place, from the source and in the manner herein and in the Bonds expressed.

Section 907. Right of Owners to Direct Proceedings.

(a) The Owners of a majority in aggregate principal amount of Bonds then-Outstanding may, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, 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, including **Section 1001(l)**.

(b) Notwithstanding any provision in this Indenture to the contrary, including paragraph (a) of this Section, the Owners shall not have the right to control or direct any remedies hereunder upon an Event of Default under **Section 12.1(a)** (but only as it relates to Additional Rent), **(b)** (but only as it relates to Unassigned Rights), **(c)** or **(d)** of the Lease.

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 shall first be applied to the costs 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 amounts to be paid pursuant to **Section 903** and second be applied to the obligations outstanding under the Lease and the Performance Agreement. Any remaining moneys shall be deposited in the Bond Fund and applied as follows:

(1) Unless the principal of all the Bonds has become or has 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 thereto of the unpaid principal of any of the Bonds which shall have become due and payable (other than 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 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 the principal of all the Bonds has become due or has 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 Persons entitled thereto, without any discrimination or privilege.

(3) If the principal of all the Bonds has been declared due and payable, and if such declaration thereafter has been rescinded and annulled under the provisions of **Section 910**, then, subject to the provisions of subsection (2) of this Section if the principal of all the Bonds later becomes due or is declared due and payable, the moneys shall be applied in accordance with the provisions of subsection (1) of this Section.

(b) Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times and from time to time as the Trustee shall determine, having due regard to the amount of such moneys available and which may become available for such application in the future. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be a Payment Date unless it 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 under the provisions of this Section, and all fees, expenses and charges of the City and the Trustee and any other amounts required to be paid under this Indenture and the Lease have been paid (including any amounts payable under the Performance Agreement), any balance remaining in the Bond Fund shall be paid to JCMG Investment as provided in **Section 602**.

Section 909. Remedies Cumulative. No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or to the Owners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Owners hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right, power or remedy accruing upon any Event of Default 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. If the Trustee has 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 have been determined adversely, then and in every such case the City, JCMG Investment, the Trustee and the Owners 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 shall 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, but only upon the written request of the Owners of at least 50% in aggregate principal amount of all the Bonds then-Outstanding; provided, however, that (a) there shall not be waived without the consent of the City an Event of Default hereunder arising from an Event of Default under **Section 12.1(a)** (but only as it relates to Additional Rent), **(b)** (but only as it relates to Unassigned Rights), **(c)** or **(d)** of the Lease, and (b) there shall not be waived without the consent of the Owners of all the Bonds Outstanding (1) 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 (2) any Event of Default in the payment when due of the interest on any such Bonds, unless before 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 and the City (including reasonable attorneys' fees and expenses), in connection with such default, 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 has been discontinued or abandoned or determined adversely, then and in every such case the City, JCMG Investment, the Trustee and the Owners shall be restored to their former positions, rights and obligations hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

ARTICLE X

THE TRUSTEE

Section 1001. Acceptance of the Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform all ministerial duties and obligations of the City hereunder (except as otherwise provided in **Section 805**) 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, before the occurrence of an Event of Default and after the curing or waiver of all Events of Default that 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 has occurred and is continuing, subject to **Section 1001(l)** below, the Trustee shall exercise such of the rights and powers vested in it by this Indenture and shall use the same degree of care and skill in their exercise as a prudent Person would exercise or use under the circumstances in the conduct of its own affairs.

(b) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents, affiliates, 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 it with due care. The Trustee may conclusively rely upon and act or

refrain from acting upon any opinion or advice of counsel, who may be counsel to the City or to JCMG Investment, 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 it 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) 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 the Bonds), or except as provided in the Lease and particularly **Section 10.8** thereof, for the recording or rerecording, filing or refiling of this Indenture or any security agreement in connection therewith (excluding the continuation of Uniform Commercial Code financing statements), or for insuring the Real Property or collecting any insurance moneys, or for the validity of the execution by the City of this Indenture or of any Supplemental Indentures or instruments of further assurance, or for the sufficiency of the security of the Bonds. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with **Article VII**.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated and delivered hereunder. The Trustee, in its individual or any other capacity, may become the Owner or pledgee of Bonds with the same rights that it would have if it were not the Trustee. The Trustee shall not be accountable for the use or application by the City or JCMG Investment of the proceeds of any of the Bonds or of any money paid to or upon the order of the City or JCMG Investment under any provision of this Indenture.

(e) The Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, 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 it 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 an Owner, shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds 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 before taking, suffering or omitting any action hereunder, the Trustee may rely upon a certificate signed by an Authorized City Representative or an Authorized JCMG Investment Representative as sufficient evidence of the facts therein contained, and before the occurrence of a default of which the Trustee has been notified as provided in subsection (h) of this Section or of which by said subsection it 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 its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be answerable for other than its negligence or willful misconduct.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any 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**, unless the Trustee is specifically notified in writing of such default by the City or by the Owners of at least 25% in aggregate principal amount of all Bonds then-Outstanding.

(i) At any and all reasonable times and subject to JCMG Investment's reasonable and standard security procedures, the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives may, but shall not be required to, inspect any and all of the Real Property, and all books, papers and records of JCMG Investment pertaining to the Real Property 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 JCMG Investment 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 Real Property.

(k) The Trustee may, but shall not be required to, demand, in respect of the authentication of any Bonds, 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 Bonds, the withdrawal of any cash, the release of any property or the taking of any other action by the Trustee.

(l) Notwithstanding anything in this Indenture or the Lease to the contrary, before taking any action under this Indenture other than the payments from moneys on deposit in the Project Fund or the Bond Fund, as provided herein, the Trustee may require that satisfactory indemnity be furnished to it for the reimbursement of all costs and expenses to which it may be put and to protect it against all liability which it may incur in or by reason of such action, except liability which is adjudicated to have resulted from its negligence or willful misconduct by reason of any action so taken.

(m) Notwithstanding any other provision of this Indenture to the contrary, any provision relating to the conduct of or intended to provide authority to act, right to payment of fees and expenses, protection, immunity and indemnification to the Trustee, shall be interpreted to include any action of the Trustee, whether it is deemed to be in its capacity as Trustee, bond registrar or Paying Agent.

(n) No provision of this Indenture or any other agreement executed in connection herewith shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers, except to the extent resulting from the Trustee's bad faith, negligence or willful misconduct.

Section 1002. Fees, Charges and Expenses of the Trustee. The Trustee shall be entitled to payment of and/or reimbursement for reasonable fees for its ordinary services rendered hereunder and all

advances, agent and counsel fees and other ordinary expenses reasonably made or incurred by the Trustee in connection with such ordinary services. If it becomes necessary for the Trustee to perform extraordinary services, it shall be entitled to reasonable extra compensation therefor and to reimbursement for reasonable extraordinary expenses in connection therewith; provided that if such extraordinary services or extraordinary expenses are caused by the neglect or willful misconduct of the Trustee, it shall not be entitled to compensation or reimbursement therefor. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent for the Bonds. Pursuant to the provisions of **Section 5.2** of the Lease, JCMG Investment 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 reasonable fees, charges and expenses of the Trustee, and the Trustee agrees to look only to JCMG Investment 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 before payment on account of principal of or interest on any Bond, upon all moneys in its possession under any provisions hereof for the foregoing reasonable advances, fees, costs and expenses incurred. The Trustee's right to compensation and indemnification shall survive the satisfaction and discharge of this Indenture or its resignation or removal hereunder and payment in full of the Bonds.

Section 1003. Notice to Owners if Default Occurs. If a default occurs of which the Trustee is by **Section 1001(h)** required to take notice or if notice of default is given as in said subsection (h) provided, then the Trustee shall give written notice thereof to the last known Owners of all Bonds then-Outstanding as shown by the bond registration books required by **Section 206** 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 its counsel, has a substantial bearing on the interests of Owners, the Trustee may intervene on behalf of Owners and, subject to the provisions of **Section 1001(l)**, shall do so if requested in writing by the Owners of at least 25% of the aggregate principal amount of Bonds then-Outstanding.

Section 1005. Successor Trustee Upon Merger, Consolidation or Sale. With the prior written consent of JCMG Investment, any corporation or association into which the Trustee may be merged or converted or with or into which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any merger, conversion, sale, consolidation or transfer to which it is a party, shall be and become successor Trustee hereunder and shall be vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereunder as was its predecessor, without the execution or filing of any instrument or any further act on the part of any of the parties hereto.

Section 1006. Resignation of Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving 30 days' written notice to the City, JCMG Investment and the Owners, and such resignation shall take effect at the end of such 30 days, or upon the earlier appointment of a successor Trustee by the Owners or by the City; provided, however, that in no event shall the resignation of the Trustee or any successor trustee become effective until such time as a successor Trustee has been appointed and has accepted the appointment. If no successor has been appointed and accepted the appointment within 30 days after the giving of such notice of resignation, the Trustee may, at JCMG Investment's expense, petition any court of competent jurisdiction for the appointment of a successor Trustee.

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 JCMG Investment and signed by the Owners of a majority in aggregate principal amount of Bonds then-Outstanding, or (b) so long as no Event of Default under this Indenture or the Lease shall have occurred and be continuing, delivered to the Trustee, the City and the Owners and signed by JCMG Investment.

Section 1008. Appointment of Successor Trustee. If the Trustee hereunder resigns or is removed, or otherwise becomes incapable of acting hereunder, or if it is taken under the control of any public officer or officers or of a receiver appointed by a court, a successor Trustee (a) reasonably acceptable to the City may be appointed by JCMG Investment (so long as no Event of Default has occurred and is continuing), or (b) reasonably acceptable to the City and JCMG Investment may be appointed by the Owners of a majority in aggregate principal amount of 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 its Mayor and attested by its City Clerk under its 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 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 shall be a trust company or bank in good standing and qualified to accept such trust with a corporate trust office in the State, and having a reported capital, surplus and undivided profits of not less than $50,000,000. If no successor Trustee has been so appointed and accepted appointment in the manner herein provided, the Trustee, at JCMG Investment's expense, or any Owner may petition any court of competent jurisdiction for the appointment of a successor Trustee, until a successor has been appointed as above provided.

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 JCMG Investment 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 and the duties and obligations of such predecessor hereunder shall thereafter cease and terminate; 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 by it as Trustee hereunder to its successor. Should any instrument in writing from the City be required by any predecessor or successor Trustee for more fully and certainly vesting in such successor the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereby vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the City.

Section 1010. Right of Trustee to Pay Taxes and Other Charges. If any tax, assessment or governmental or other charge upon, or insurance premium with respect to, any part of the Real Property is not paid as required herein or in the Lease, the Trustee may pay such tax, assessment or governmental charge or insurance premium, without prejudice, however, to any rights of the Trustee or the Owners hereunder arising in consequence of such failure; any amount at any time so paid under this Section, 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 Real Property, if not otherwise caused to be paid; but the Trustee shall be under no obligation to make any such payment unless it has been requested to do so by the Owners of at least 25% of the aggregate principal amount of Bonds then-Outstanding and has 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) 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 this Indenture or the Lease upon the occurrence of an Event of Default or if the Trustee deems that by reason of any present or future law of any jurisdiction it cannot 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.

(b) If the Trustee appoints an additional individual or institution as a co-trustee or separate trustee (which appointment shall be subject to the approval of JCMG Investment), 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 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.

(d) If 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, JCMG Investment and to any Owner requesting the same and, upon the request of the City, JCMG Investment or any Owner, at such Owner's expense, a monthly accounting to any such party, 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 it under the Lease.

ARTICLE XI

SUPPLEMENTAL INDENTURES

Section 1101. Supplemental Indentures Not Requiring Consent of Owners. The City and the Trustee may from time to time, without the consent of or notice to any of the Owners, 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 which is not to the material prejudice of the Owners, or, in the judgment of the Trustee, is not to the material prejudice of the Trustee or the Owners (provided the Trustee shall be entitled to receive and may rely upon an opinion of counsel in exercising such judgment);

(b) To grant to or confer upon the Trustee for the benefit of the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners or the Trustee or either of them;

(c) To more precisely identify the Real Property or to add additional property thereto;

(d) To conform this Indenture to amendments to the Lease made by the City and JCMG Investment; or

(e) To subject to this Indenture additional revenues, properties or collateral.

Section 1102. Supplemental Indentures Requiring Consent of Owners.

(a) Exclusive of Supplemental Indentures covered by **Section 1101** and subject to the terms and provisions contained in this Section, and not otherwise, the Owners of not less than a majority in aggregate principal amount of the Bonds then-Outstanding may, from time to time, anything contained in this Indenture to the contrary notwithstanding, 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 Owners of 100% of the principal amount of the Bonds then-Outstanding, nothing in this Section 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 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 or Bonds over any other Bond or Bonds, or (4) a reduction in the aggregate principal amount of Bonds the Owners of which are required for consent to any such Supplemental Indenture.

(b) If the City requests the Trustee to enter into any such Supplemental Indenture for any of the purposes of this Section, the Trustee shall cause notice of the proposed execution of such Supplemental Indenture to be mailed to each Owner as shown on the bond registration books required by **Section 206**. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the corporate trust office of the Trustee for inspection by all Owners. If within 60 days or such longer period as may be prescribed by the City following the mailing of such notice, the Owners 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 Owner 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. JCMG Investment's Consent to Supplemental Indentures. Anything herein to the contrary notwithstanding, a Supplemental Indenture under this Article shall not become effective unless and until JCMG Investment, JCMG PC and any Financing Party have consented in writing to the execution and delivery of such Supplemental Indenture. The Trustee shall cause notice of the proposed execution and delivery of any Supplemental Indenture (regardless of whether it affects JCMG Investment's rights) together with a copy of the proposed Supplemental Indenture to be mailed to JCMG Investment, JCMG PC and any Financing Party of which the Trustee has received written notice thereof at least 15 days before the proposed date of execution and delivery of the Supplemental Indenture.

Section 1104. Opinion of Counsel. In executing, or accepting the additional trusts created by, any Supplemental Indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee and the City shall receive, and, shall be fully protected in relying upon, an opinion of counsel addressed and delivered to the Trustee and the City stating that the execution of such Supplemental Indenture is permitted by and in compliance with this Indenture and will, upon the execution and delivery thereof, be a valid and binding obligation of the City. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which affects the Trustee's rights, duties or immunities under this Indenture or otherwise.

ARTICLE XII

SUPPLEMENTAL LEASES

Section 1201. Supplemental Leases Not Requiring Consent of Owners. The City and the Trustee shall, without the consent of or notice to the Owners, consent to the execution of any Supplemental Lease or Supplemental Leases by the City and JCMG Investment as may be required (a) by the provisions of the Lease and this Indenture, (b) for the purpose of curing any ambiguity or formal defect or omission in the Lease, (c) so as to more precisely identify the Real Property or add additional property thereto or (d) 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 Owners (provided the Trustee is entitled to receive and rely upon an opinion of counsel in exercising such judgment).

Section 1202. Supplemental Leases Requiring Consent of Owners. Except for Supplemental Leases as provided for in **Section 1201**, neither the City nor the Trustee shall consent to the execution of any Supplemental Lease or Supplemental Leases by the City or JCMG Investment without the mailing of notice and the obtaining of the written approval or consent of the Owners 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**. If at any time the City and JCMG Investment 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** 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 corporate trust office of the Trustee for inspection by all Owners. If within 60 days or such longer period as may be prescribed by the City following the mailing of such notice, the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Lease shall have consented to and approved the execution thereof as herein provided, no Owner 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 1203. Opinion of Counsel. In executing or consenting to any Supplemental Lease permitted by this Article, the City and the Trustee shall receive, and shall be fully protected in relying upon, an opinion of counsel addressed to the Trustee and the City stating that the execution of such Supplemental Lease is authorized or permitted by the Lease and this Indenture and the applicable law and will upon the execution and delivery thereof be valid and binding obligations of the parties thereto.

ARTICLE XIII

SATISFACTION AND DISCHARGE OF INDENTURE

Section 1301. Satisfaction and Discharge of this Indenture.

(a) When the principal of and interest on all the Bonds have been paid in accordance with their terms or provision has been made for such payment, as provided in **Section 1302**, and provision also made for paying all other sums payable hereunder and under the Lease and the Performance Agreement, including the reasonable fees and expenses of the Trustee, the City and the Paying Agent to the date of retirement of the Bonds, then the right, title and interest of the Trustee in respect hereof shall thereupon cease, determine and be void. Thereupon, the Trustee shall cancel, discharge and release this Indenture and shall upon the written request of the City or JCMG Investment execute, acknowledge and deliver to the City such instruments of satisfaction and discharge or release as shall be required to evidence such release and the satisfaction and discharge of this Indenture, and shall assign and deliver to the City (subject to the City's obligations under **Section 11.2** of the Lease) any property at the time subject to this Indenture which may then be in its possession, except amounts in the Bond Fund required to be paid to JCMG Investment under **Section 602** 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** 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. Bonds Deemed to be Paid.

(a) Bonds shall be deemed to be paid within the meaning of this Article 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) have been made or caused to be made in accordance with the terms thereof, or (2) have been provided for by depositing with the Trustee or other commercial bank or trust company having full trust powers and authorized to accept trusts in the State in trust and irrevocably set aside exclusively for such payment (A) moneys sufficient to make such payment or (B) Government Securities maturing as to principal and interest in such amount and at such times as will ensure the availability of sufficient moneys to make such payment, or (3) have been provided for by surrendering the Bonds to the Trustee for cancellation. At such time as Bonds are

deemed to be paid hereunder, as aforesaid, they 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 before 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 before their respective stated maturities, proper notice of such redemption has been given in accordance with **Article III** or irrevocable instructions 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, all moneys or Government Securities set aside and held in trust pursuant to the provisions of this Section for the payment of Bonds shall be applied to and used solely for the payment of the particular Bonds, with respect to which such moneys or Government Securities have been so set aside in trust.

ARTICLE XIV

MISCELLANEOUS PROVISIONS

Section 1401. Consents and Other Instruments by Owners.

(a) Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds (other than the assignment of ownership of a Bond) 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 acknowledgments 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 registration books of the City maintained by the Trustee pursuant to **Section 206**.

(b) In determining whether the Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Indenture, Bonds owned by JCMG Investment shall be disregarded and deemed not to be Outstanding under this Indenture, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Trustee knows to be so owned shall be so disregarded; provided, the foregoing provisions shall not be applicable if JCMG Investment is the only Owner of the Bonds. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not JCMG Investment or any affiliate thereof.

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 Owners, 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, the Financing Parties, if any, and the Owners, 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, JCMG Investment or JCMG PC if the same is duly mailed by registered or certified mail, postage prepaid, or 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 Jefferson, Missouri
320 East McCarty Street
Jefferson City, Missouri 65101
Attention: City Administrator

with a copy to:

City Counselor
City of Jefferson, Missouri
320 East McCarty Street
Jefferson City, Missouri 65101

(b) To the Trustee:

BOKF, N.A.
200 North Broadway, Suite 1710
St. Louis, Missouri 63102
ATTN: Corporate Trust Department

(c) To JCMG Investment or JCMG PC:

Jefferson City Medical Group
1241 W. Stadium Boulevard
Jefferson City, Missouri 65109
Attention: Chief Financial Officer

with a copy to:

Gibbs Pool and Turner, P.C.
3225 Emerald Lane, Suite A
Jefferson City, Missouri
Attention: Hallie. H. Gibbs

(d) To the Owners if the same is duly mailed by first-class, registered or certified mail addressed to each of the Owners of Bonds at the time Outstanding as shown by the bond registration books required by **Section 206** to be kept at the corporate trust office of the Trustee.

All notices given by certified or registered mail as aforesaid shall be deemed fully given as of the date they are so mailed, provided that any of the foregoing given to the Trustee shall be effective only upon receipt. All notices given by overnight delivery or other delivery service shall be deemed fully given as of the date when received. A duplicate copy of each notice, certificate or other communication given hereunder by either the City or the Trustee to the other shall also be given to JCMG Investment. The City, JCMG Investment and the Trustee may from time to time designate, by notice given hereunder to the others of such parties, such other addresses to which subsequent notices, certificates or other communications shall be sent.

Section 1404. Severability. If any provision of this Indenture is 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 whatsoever.

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. This Indenture shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 1407. Electronic Transaction. The parties agree that the transaction described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 1408. City Consent and Approvals. Pursuant to the Ordinance, the Mayor is authorized to execute all documents on behalf of the City (including documents pertaining to the transfer of property or the financing or refinancing of the Real Property by JCMG Investment or JCMG PC and such easements, licenses, rights-of-way, plats and similar documents as may be requested by JCMG Investment or JCMG PC) as may be required to carry out and comply with the intent of the Ordinance, this Indenture and the Lease. The Mayor is also authorized, unless expressly prohibited herein, to grant on behalf of the City such consents, estoppels and waivers relating to the Bonds, this Indenture, the Lease, or the Performance Agreement as may be requested during the term thereof; provided, such consents, estoppels and/or waivers shall not increase the principal amount of the Bonds, increase the term of the Lease or the tax exemption as provided for therein, waive an Event of Default or materially change the nature of the transaction unless approved by the City Council.

Section 1409. Anti-Discrimination Against Israel Act. Pursuant to Section 34.600 of the Revised Statutes of Missouri, the Trustee certifies it is not currently engaged in and shall not, for the duration of this Indenture, engage in a boycott of goods or services from (a) the State of Israel,

(b) companies doing business in or with the State of Israel or authorized by, licensed by or organized under the laws of the State of Israel or (c) persons or entities doing business in the State of Israel.

Section 1410. Performance by JCMG PC. The Trustee and the City hereby acknowledge and agree that to the extent that JCMG PC performs any obligation of JCMG Investment hereunder pursuant to the Sublease or otherwise, the Trustee or the City shall accept such performance and such performance shall constitute JCMG Investment's performance of such obligation for all purposes hereof.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the City of Jefferson, 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, the Trustee has caused this Indenture to be signed in its name and behalf by a duly authorized officer, all as of the date first above written.

CITY OF JEFFERSON, MISSOURI

By: _____
Name: Carrie Tergin
Title: Mayor

[SEAL]

ATTEST:

By: _____
Name: Emily Donaldson
Title: City Clerk

BOKF, N.A., as Trustee

By: _____
Name: _____
Title: _____

EXHIBIT A

PROJECT SITE

The real property located in Cole County, Missouri, upon which the Project Improvements are located, as more specifically described below:

EXHIBIT B

FORM OF BONDS

THIS BOND OR ANY PORTION HEREOF MAY BE TRANSFERRED, ASSIGNED OR NEGOTIATED ONLY TO AN APPROVED INVESTOR AS DEFINED IN THE HEREIN DESCRIBED INDENTURE.

No. 1 **Not to Exceed $15,700,000**

UNITED STATES OF AMERICA
STATE OF MISSOURI

CITY OF JEFFERSON, MISSOURI
TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BOND
(JCMG – REAL PROPERTY PROJECT)
SERIES 2022

Interest Rate	Maturity Date	Dated Date
5.00%	December 1, 2032	December [___], 2022

OWNER: **JCMG INVESTMENT, LLC**

MAXIMUM PRINCIPAL AMOUNT: FIFTEEN MILLION SEVEN HUNDRED THOUSAND DOLLARS

THE CITY OF JEFFERSON, MISSOURI, a home rule charter city organized and existing under the laws of the State of Missouri (the **"City"**), for value received, promises to pay, but solely from the source hereinafter referred to, to the Owner named above, or registered assigns thereof, on the Maturity Date shown above, the principal amount shown above, or such lesser amount as may be outstanding hereunder as reflected on **Schedule I** hereto held by the Trustee as provided in the hereinafter referred to Indenture. The City agrees to pay such principal amount to the 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, and in like manner to pay to the Owner hereof, either by check or draft mailed to the Owner at a stated address as it appears on the bond registration books of the City kept by the Trustee under the within mentioned Indenture or, in certain situations authorized in the Indenture, by internal bank transfer or by electronic transfer to an account at a commercial bank or savings institution located in the continental United States. Interest on the Cumulative Outstanding Principal Amount (as hereinafter defined) at the per annum Interest Rate stated above, payable in arrears on each December 1, commencing on December 1, 2023, and continuing thereafter until the earlier of the date on which said Cumulative Outstanding Principal Amount is paid in full or the Maturity Date. Interest on each advancement of the principal amount of this Bond shall accrue from the date that such advancement is made, computed on the basis of a year of 360 days consisting of 12 months of 30 days each.

As used herein, the term **"Cumulative Outstanding Principal Amount"** means all Bonds outstanding under the terms of the hereinafter defined Indenture, as reflected on **Schedule I** hereto maintained by the Trustee.

THIS BOND is one of a duly authorized series of Bonds of the City designated the "City of Jefferson, Missouri, Taxable Industrial Development Revenue Bonds (JCMG – Real Property Project), Series 2022" (the **"Bonds"**), issued for the purpose of acquiring approximately 6.85 acres of land located at 3520 West Edgewood Drive in Jefferson City, Missouri (**"Project Site"**) and constructing an approximately 28,000 square foot stand-alone outpatient surgery center on the Project Site (the **"Project Improvements"** and, together with the Project Site, the **"Real Property"**), which will be occupied by Jefferson City Medical Group, P.C., a Missouri professional corporation (**"JCMG PC"**). The City will lease the Real Property to JCMG Investment, LLC, a Missouri limited liability company (**"JCMG Investment"**), under the terms of a Real Property Lease Agreement dated as of December 1, 2022 (said Real Property Lease Agreement, as amended and supplemented from time to time in accordance with the provisions thereof, being herein called the **"Lease"**), between the City and JCMG Investment, all pursuant to the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and statutes of the State of Missouri, including particularly the Act, and the City Charter and pursuant to proceedings duly had by the City Council. JCMG Investment will sublease the Real Property to JCMG PC.

THE BONDS are issued under and are equally and ratably secured and entitled to the protection given by a Real Property Trust Indenture dated as of December 1, 2022 (said Real Property Trust Indenture, as amended and supplemented from time to time in accordance with the provisions thereof, being herein called the **"Indenture"**), between the City and BOKF, N.A., St. Louis, Missouri, as trustee (the **"Trustee"**). *Capitalized terms not defined herein shall have the meanings set forth in 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 the Bonds, the rights, duties and obligations of the City, the Trustee and the Owners, and the terms upon which the Bonds are issued and secured.

THE BONDS are subject to redemption and payment at any time before the stated maturity thereof, at the option of the City, upon written instructions from JCMG Investment, (1) in whole, if JCMG Investment exercises its option to purchase the Real Property and deposits an amount sufficient to effect such purchase pursuant to the Lease on the applicable redemption date, or (2) in part, if JCMG Investment prepays additional Basic Rent pursuant to the Lease; provided, however, if only a portion of the Bonds are to be redeemed, Bonds aggregating at least 10% of the maximum principal amount of Bonds authorized under the Indenture shall not be subject to redemption and payment before the stated maturity thereof. Any redemption of Bonds pursuant to this paragraph shall be at a redemption price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the redemption date.

THE BONDS are subject to mandatory redemption, in whole or in part, to the extent of amounts deposited in the Bond Fund pursuant to **Section 9.1(f)** or **9.2(c)** of the Lease, in the event of substantial damage to or destruction or condemnation of substantially all of the Real Property. Bonds to be redeemed pursuant to this paragraph shall be called for redemption by the Trustee on the earliest practicable date for which timely notice of redemption may be given as provided under the Indenture. Any redemption of Bonds pursuant to this paragraph shall be at a redemption price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the redemption date. Before giving notice of redemption to the Owners pursuant to this paragraph, money in an amount equal to the redemption price shall have been deposited in the Bond Fund.

If the Bonds are to be called for optional redemption, JCMG Investment shall deliver written notice to the City and the Trustee that it has elected to redeem all or a portion of the Bonds at least 40 days (10 days if there is one Owner) before the scheduled redemption date. The Trustee shall then deliver written notice to the Owner of this Bond at least 30 days (five days if there is one Owner) before the scheduled redemption date by first-class mail (or facsimile, if there is one Owner) stating the date upon which the Bonds will be redeemed and paid.

THE BONDS, including interest thereon, are special obligations of the City and are payable solely out of the rents, revenues and receipts derived by the City from the Real Property and the Lease and not from any other fund or source of the City, and are secured by a pledge and assignment of the Real Property and 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. The Bonds do not constitute a general obligation of the City or the State of Missouri, and neither the City nor the State of Missouri shall be liable thereon, and the Bonds shall not constitute an indebtedness within the meaning of any constitutional, statutory or charter debt limitation or restriction and are 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 the Bonds are to be paid by JCMG Investment directly to the Trustee for the account of the City and deposited in a special fund created by the City and designated the "City of Jefferson, Missouri, Bond Fund – JCMG Real Property Project."

THE OWNER of this Bond shall have no right to enforce the provisions 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 all the Bonds 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, as provided in the Indenture, only upon the books of the City kept for that purpose at the above-mentioned office of the Trustee by the Owner hereof in person or by such Person's duly authorized attorney, upon surrender of this Bond together with a written instrument of transfer reasonably satisfactory to the Trustee duly executed by the Owner or such Person's duly authorized attorney, and thereupon a new fully-registered Bond or Bonds, in the same aggregate principal amount of this Bond, 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.

THE BONDS are issuable in the form of one fully-registered Bond in the maximum principal amount of $15,700,000.

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 has been executed by the Trustee.

IT IS HEREBY CERTIFIED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of 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, the City of Jefferson, 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.

CITY OF JEFFERSON, MISSOURI

By: _____
Mayor

ATTEST: (Seal)

_____
City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is the Taxable Industrial Development Revenue Bond (JCMG - Real Property 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 Authorized Signatory

SCHEDULE I

TABLE OF CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT

CITY OF JEFFERSON, MISSOURI
TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BOND
(JCMG – REAL PROPERTY PROJECT)
SERIES 2022

Bond No. 1

Date	Principal Amount Advanced	Principal Amount Redeemed	Cumulative Outstanding Principal Amount	Notation Made By

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 of the Registered Owner as it appears upon the face of the within Bond in every particular.

Medallion Signature Guarantee:

EXHIBIT C

FORM OF REPRESENTATION LETTER

City of Jefferson, Missouri
320 East McCarty Street
Jefferson City, Missouri 65101
Attention: City Administrator

BOKF, N.A.
200 North Broadway, Suite 1710
St. Louis, Missouri 63102
Attention: Corporate Trust Department

Re: $15,700,000 Maximum Principal Amount of Taxable Industrial Development Revenue Bonds (JCMG – Real Property Project), Series 2022 of the City of Jefferson, Missouri

Ladies and Gentlemen:

In connection with the purchase of the above-referenced bonds (the **"Bonds"**), the undersigned purchaser of the Bonds hereby represents, warrants and agrees as follows:

1. The undersigned understands that (a) the Bonds have been issued under and pursuant to a Real Property Trust Indenture dated as of December 1, 2022 (the **"Indenture"**), between the City of Jefferson, Missouri (the **"City"**), and BOKF, N.A., as trustee (the **"Trustee"**), (b) the Bonds are payable solely out of certain rents, revenues and receipts to be derived from the leasing or sale of the Real Property (as defined in the Indenture) to JCMG Investment, LLC, a Missouri limited liability company (**"JCMG Investment"**) under a Real Property Lease Agreement dated as of December 1, 2022 (the **"Lease"**), between the City and JCMG Investment, with certain of such rents, revenues and receipts being 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. JCMG Investment will sublease the Real Property to Jefferson City Medical Group, P.C., as Missouri professional corporation (**"JCMG PC"**).

2. The undersigned understands that (a) the Bonds and the interest thereon are special, limited obligations of the City payable solely out of the rents, revenues and receipts derived by the City from the Real Property and the Lease, and not from any other fund or source of the City, (b) the Bonds are secured by a pledge and assignment of the Trust Estate to the Trustee in favor of the Owners, as provided in the Indenture, (c) the Bonds and the interest thereon shall not constitute general obligations of the City, the State of Missouri (the **"State"**) or any political subdivision thereof, and neither the City, the State nor any political subdivision thereof shall be liable thereon, and (d) the Bonds do 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.

3. The undersigned understands that the Bonds are transferable only in the manner provided for in the Indenture and discussed below and warrants that it is acquiring the Bonds for its own account with the intent of holding the Bonds as an investment, and the acquisition of the Bonds is not made with a view toward their distribution or for the purpose of offering, selling or otherwise participating in a distribution of the Bonds.

4. The undersigned is an Approved Investor, as defined in the Indenture.

5. The undersigned agrees not to attempt to offer, sell, hypothecate or otherwise distribute the Bonds to others unless authorized by the terms of the Indenture and, if requested by the City, upon receipt of an opinion of counsel reasonably acceptable to the City, JCMG Investment and the purchaser that all registration and disclosure requirements of the Securities and Exchange Commission and all other appropriate federal and State securities laws and the securities law of any other applicable state are complied with.

6. JCMG Investment has (a) furnished to the undersigned such information about itself as the undersigned deems necessary in order for it to make an informed investment decision with respect to the purchase of the Bonds, (b) made available to the undersigned, during the course of this transaction, ample opportunity to ask questions of, and to receive answers from, appropriate officers of the City and the terms and conditions of the offering of the Bonds, and (c) provided to the undersigned all additional information which it has requested. [*Delete this paragraph if JCMG Investment is the purchaser of the Bonds.*]

7. The undersigned is now, and was when it agreed to purchase the Bonds, familiar with the operations of JCMG Investment and fully aware of terms and risks of the Bonds. [*Delete previous sentence if JCMG Investment is the purchaser of the Bonds.*] The undersigned believes that the Bonds which it is acquiring is a security of the kind that it wishes to purchase and hold for investment and that the nature and amount thereof are consistent with its investment program.

8. The undersigned is fully aware of and satisfied with (a) the current status of the title to the Real Property and any issues related thereto and (b) the terms, amounts and providers of the insurance maintained pursuant to **Article VII** of the Lease, and the undersigned is purchasing the Bonds with full knowledge of such matters.

9. The undersigned understands and agrees that the interest on the Bonds *is* subject to federal and state income taxation.

10. The undersigned hereby directs the Trustee to hold the Bonds in trust pursuant to **Section 204(c)** of the Indenture.

Dated: _____, 20___

[PURCHASER OF BONDS]

By: _____
Name: _____
Title: _____

Gilmore & Bell, P.C.
Draft v2 – November 17, 2022

CITY OF JEFFERSON, MISSOURI,

AND

BOKF, N.A.,
as Trustee

PERSONAL PROPERTY TRUST INDENTURE

Dated as of December 1, 2022

Relating to:

$2,100,000
(Aggregate Maximum Principal Amount)
City of Jefferson, Missouri
Taxable Industrial Development Revenue Bonds
(JCMG – Personal Property Project)
Series 2022

PERSONAL PROPERTY TRUST INDENTURE

TABLE OF CONTENTS

Page

Parties 1
Recitals 1
Granting Clauses 2

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms 3
Section 102. Rules of Interpretation 8
Section 103. Date of Indenture 8

ARTICLE II

THE BONDS

Section 201. Title and Amount of Bonds 8
Section 202. Nature of Obligation 8
Section 203. Denomination, Number and Dating of the Bonds 9
Section 204. Method and Place of Payment of Bonds 9
Section 205. Execution and Authentication of Bonds 10
Section 206. Registration, Transfer and Exchange of Bonds 10
Section 207. Persons Deemed Owners of Bonds 11
Section 208. Authorization of the Bonds 11
Section 209. Mutilated, Lost, Stolen or Destroyed Bonds 13
Section 210. Cancellation and Destruction of Bonds Upon Payment 13

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption of Bonds 14
Section 302. Effect of Call for Redemption 14
Section 303. Notice of Redemption 14

ARTICLE IV

FORM OF BONDS

Section 401. Form Generally 15

ARTICLE V

CUSTODY AND APPLICATION OF BOND PROCEEDS

Section 501. Creation of Funds 15
Section 502. Deposits into the Project Fund 15
Section 503. Disbursements from the Project Fund 15
Section 504. Completion of the Purchase and Installation of the Project Equipment 16
Section 505. Disposition Upon Acceleration 16

ARTICLE VI

REVENUES AND FUNDS

Section 601. Deposits into the Bond Fund 16
Section 602. Application of Moneys in the Bond Fund 17
Section 603. Payments Due on Days Other than Business Days 17
Section 604. Nonpresentment of Bonds 17

ARTICLE VII

SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

Section 701. Moneys to be Held in Trust 18
Section 702. Investment of Moneys in Project Fund and Bond Fund 18
Section 703. Record Keeping 18

ARTICLE VIII

GENERAL COVENANTS AND PROVISIONS

Section 801. Payment of Principal and Interest 19
Section 802. Authority to Execute Indenture and Issue Bonds 19
Section 803. Performance of Covenants 19
Section 804. Instruments of Further Assurance 19
Section 805. Recordings and Filings 19
Section 806. Inspection of Books 20
Section 807. Enforcement of Rights Under the Lease 20

ARTICLE IX

DEFAULT AND REMEDIES

Section 901 Events of Default; Notice; Opportunity to Cure 20
Section 902. Acceleration of Maturity in Event of Default 21
Section 903. Surrender of Possession of Trust Estate; Rights and Duties of Trustee in Possession 21
Section 904. Appointment of Receivers in Event of Default 21
Section 905. Exercise of Remedies by the Trustee 22
Section 906. Limitation on Exercise of Remedies by Owners 22
Section 907. Right of Owners to Direct Proceedings 23
Section 908. Application of Moneys in Event of Default 23

Section 909. Remedies Cumulative....24
Section 910. Waivers of Events of Default....24

ARTICLE X

THE TRUSTEE

Section 1001. Acceptance of the Trusts....25
Section 1002. Fees, Charges and Expenses of the Trustee....27
Section 1003. Notice to Owners if Default Occurs....27
Section 1004. Intervention by the Trustee....28
Section 1005. Successor Trustee Upon Merger, Consolidation or Sale....28
Section 1006. Resignation of Trustee....28
Section 1007. Removal of Trustee....28
Section 1008. Appointment of Successor Trustee....28
Section 1009. Vesting of Trusts in Successor Trustee....29
Section 1010. Right of Trustee to Pay Taxes and Other Charges....29
Section 1011. Trust Estate May be Vested in Co-Trustee....29
Section 1012. Accounting....30
Section 1013. Performance of Duties Under the Lease....30

ARTICLE XI

SUPPLEMENTAL INDENTURES

Section 1101. Supplemental Indentures Not Requiring Consent of Owners....30
Section 1102. Supplemental Indentures Requiring Consent of Owners....31
Section 1103. JCMG PC's Consent to Supplemental Indentures....31
Section 1104. Opinion of Counsel....31

ARTICLE XII

SUPPLEMENTAL LEASES

Section 1201. Supplemental Leases Not Requiring Consent of Owners....32
Section 1202. Supplemental Leases Requiring Consent of Owners....32
Section 1203. Opinion of Counsel....32

ARTICLE XIII

SATISFACTION AND DISCHARGE OF INDENTURE

Section 1301. Satisfaction and Discharge of this Indenture....32
Section 1302. Bonds Deemed to be Paid....33

ARTICLE XIV

MISCELLANEOUS PROVISIONS

Section 1401. Consents and Other Instruments by Owners....33
Section 1402. Limitation of Rights Under this Indenture....34

Section 1403. Notices 34
Section 1404. Severability 35
Section 1405. Execution in Counterparts 36
Section 1406. Governing Law 36
Section 1407. Electronic Transaction 36
Section 1408. City Consent and Approvals 36
Section 1409. Anti-Discrimination Against Israel Act 36

Signature and Seals 1

Exhibit A – Project Equipment
Exhibit B – Form of Bonds
Exhibit C – Form of Representation Letter

PERSONAL PROPERTY TRUST INDENTURE

THIS PERSONAL PROPERTY TRUST INDENTURE, dated as of December 1, 2022 (this **"Indenture"**), between the **CITY OF JEFFERSON, MISSOURI**, a home rule charter city organized and existing under the laws of the State of Missouri (the **"City"**), and **BOKF, N.A.**, a national banking association duly organized and existing and authorized to accept and execute trusts of the character herein set forth under the laws of the United States of America, with a corporate trust office located in St. Louis, Missouri, as trustee (the **"Trustee"**);

RECITALS:

1. The City is authorized and empowered pursuant to the provisions of Article VI, Section 27(b) of the Missouri Constitution, Sections 100.010 through 100.200, inclusive, of the Revised Statutes of Missouri (collectively, the **"Act"**) and the City Charter to purchase, construct, extend, improve and equip certain projects (as defined in the Act), to issue industrial revenue bonds for the purpose of providing funds to pay the costs of such projects and to lease or otherwise dispose of such projects to private persons or corporations for manufacturing, commercial, office industry, warehousing and industrial development purposes upon such terms and conditions as the City deems advisable.

2. Pursuant to the Act, the City Council of the City gave notice to the affected taxing jurisdictions in accordance with Section 100.059.1 of the Act regarding the City's intent to approve the issuance of two separate series of industrial development revenue bonds under the Act in order to finance the costs of a project for Jefferson City Medical Group, P.C., a Missouri professional corporation (**"JCMG PC"**) consisting of (a) constructing an approximately 28,000 square foot stand-alone outpatient surgery center (the **"Project Improvements"**) on an approximately 6.85 acre site located at 3520 West Edgewood Drive in the City (as legally described on **Exhibit A**, the **"Project Site"**), which will be occupied by Jefferson City Medical Group, and (b) acquiring and installing certain equipment and other personal property within the Project Improvements (the **"Project Equipment"**).

3. Following notice to the affected taxing jurisdictions in accordance with Section 100.059.1 of the Act, the City Council of the City adopted Ordinance No. [_____] on December 19, 2022 (the **"Ordinance"**), (a) approving a plan for the industrial development project, (b) authorizing the issuance of Taxable Industrial Development Revenue Bonds (JCMG – Real Property Project), Series 2022, in the maximum principal amount of $15,700,000, for the purpose of acquiring the Project Site and constructing the Project Improvements located thereon (the Project Site and Project Improvements being collectively referred to herein as the **"Real Property"**), and (c) authorizing the issuance of Taxable Industrial Development Revenue Bonds (JCMG – Personal Property Project), Series 2022, in the maximum principal amount of $2,100,000 (the **"Bonds"**), for the purpose of acquiring and installing the Project Equipment within the Project Improvements.

4. The City will acquire the Real Property from JCMG Investment, LLC, a Missouri limited liability company (**"JCMG Investment"**) and JCMG Investment will lease the Real Property from the City. JCMG Investment will sublease the Real Property to JCMG PC.

5. Pursuant to the Ordinance, the City is authorized to enter into (a) this Indenture with the Trustee for the purpose of issuing and securing the Bonds, as herein provided, (b) a Personal Property Lease Agreement of even date herewith (the **"Lease"**) with JCMG PC, under which the City will acquire or cause to be acquired the Project Equipment and will lease the Project Equipment to JCMG PC in consideration of rental payments by JCMG PC that will be sufficient to pay the principal of and interest on the Bonds, and (c) a Performance Agreement of even date herewith (the **"Performance Agreement"**)

with JCMG Investment and JCMG PC, pursuant to which JCMG Investment and JCMG PC have agreed to make certain payments in lieu of taxes with respect to the Real Property and the Project Equipment respectively.

6. All things necessary to make the Bonds, when authenticated by the Trustee and issued as provided in this Indenture, 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 (as defined herein) 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 PERSONAL PROPERTY TRUST INDENTURE WITNESSETH:

GRANTING CLAUSES

That the City, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Bonds by the Owners (as defined herein) thereof, and of other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the principal of and interest on all of the Bonds issued and Outstanding (as defined herein) under this Indenture from time to time according to their tenor and effect, and to secure the performance and observance by the City of all the covenants, agreements and conditions herein and in the Bonds contained, does hereby pledge and assign to the Trustee and its successors and assigns forever, subject to Permitted Encumbrances, 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 of the City in and to the Project Equipment, subject to JCMG PC's rights under the Lease, together with the tenements, hereditaments, appurtenances, rights, easements, privileges and immunities thereunto belonging or appertaining and, to the extent permissible, all permits, certificates, approvals and authorizations;

(b) All right, title and interest of the City in, to and under the Lease (excluding the Unassigned Rights, as defined herein), and all rents, revenues and receipts derived by the City from the Project Equipment including, without limitation, all rentals and other amounts to be received by the City and paid by JCMG PC under and pursuant to and subject to the provisions of the Lease; and

(c) All moneys and securities from time to time held by or now or hereafter required to be paid to 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 Owners 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 pays, or causes 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 provides for the payment thereof (as provided in **Article XIII**), and pays or causes to be paid to the Trustee all other sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this Indenture and the rights hereby granted shall cease, determine and be void; otherwise, this Indenture shall be and remain in full force and effect.

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

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to any words and terms defined in the Lease (which definitions are hereby incorporated by reference) and any words 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:

"Act" means, collectively, Article VI, Section 27(b) of the Missouri Constitution and Sections 100.010 through 100.200 of the Revised Statutes of Missouri.

"Additional Rent" means the additional rental described in **Section 5.2** of the Lease.

"Approved Investor" means (a) JCMG PC, (b) JCMG Investment, (c) a Financing Party or (d) any Person approved by the City Council of the City.

"Authorized City Representative" means the Mayor, the City Administrator, Finance Director, City Clerk or such other Person at the time designated to act on behalf of the City as evidenced by written certificate furnished to JCMG Investment and the Trustee containing the specimen signature of such Person and signed on behalf of the City by its Mayor. Such certificate may designate an alternate or alternates, each of whom may perform all duties of the Authorized City Representative.

"Authorized JCMG PC Representative" means the Person at the time designated to act on behalf of JCMG PC as evidenced by written certificate furnished to the City and the Trustee containing the specimen signature of such Person and signed on behalf of JCMG PC by an authorized officer of JCMG PC. Such certificate may designate an alternate or alternates, each of whom may perform all duties of the Authorized JCMG PC Representative.

"Basic Rent" means the rental described in **Section 5.1** of the Lease.

"Bond" or **"Bonds"** means the Taxable Industrial Development Revenue Bonds (JCMG – Personal Property Project), Series 2022, in the maximum aggregate principal amount of $2,100,000, issued, authenticated and delivered under and pursuant to this Indenture.

"Bond Fund" means the "City of Jefferson, Missouri, Bond Fund – JCMG Personal Property Project" created in **Section 501** of this Indenture.

"Bond Purchase Agreement" means the Personal Property Bond Purchase Agreement dated as of December 1, 2022, by and between the City and the Purchaser.

"Business Day" means any day other than a Saturday or Sunday or legal holiday or a day on which banks located in the city in which the principal corporate trust office or the principal payment office of the Trustee are required or authorized by law to remain closed.

"City" means the City of Jefferson, Missouri, a home rule charter city organized and existing under the laws of the State.

"Closing Date" means the date identified in the Bond Purchase Agreement for the initial issuance and delivery of the Bonds.

"Closing Price" means the amount specified in writing by the Purchaser and agreed to by the City as the amount required to pay for the initial issuance of the Bonds on the Closing Date, which amount may consists of all or a portion of the Project Costs spent by JCMG PC, from its own funds before the Closing Date, and, at JCMG PC's option, the costs of issuance of the Bonds if such costs are not paid from Bond proceeds.

"Completion Date" means the date of execution of the certificate required by **Section 4.5** of the Lease and **Section 504** of this Indenture, which shall be deemed executed and filed on December 31, 2022, if not actually executed and filed by December 31, 2022, except as otherwise provided in **Section 4.5** of the Lease.

"Cumulative Outstanding Principal Amount" means the aggregate principal amount of all Bonds Outstanding under the provisions of this Indenture, not to exceed $2,100,000 as reflected in the records maintained by the Trustee as provided in the Bonds and this Indenture.

"Event of Default" means, with respect to this Indenture, any Event of Default as defined in **Section 901** and, with respect to the Lease, any Event of Default as described in **Section 12.1** of the Lease.

"Financing Document" means any loan agreement, credit agreement, security agreement, mortgage, participation agreement, lease agreement, sublease, ground lease, hedging agreement or other document related to the Project Equipment and executed by or on behalf of, or for the benefit of, a Financing Party.

"Financing Party" means 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, letter of credit or credit support for

or in connection with such financing or hedging arrangements, in connection with the acquisition, ownership, lease, operation or maintenance of the Project Equipment or interests or rights in the Lease, or any part thereof, including any trustee or agent acting on any such Person's behalf.

"Full Insurable Value" means the reasonable replacement cost of the Project Equipment less physical depreciation as determined at the expense of JCMG PC from time to time.

"Government Securities" means direct obligations of, or obligations the payment of principal of and interest on which are unconditionally guaranteed by, the United States of America.

"Indenture" means this Personal Property Trust Indenture, as from time to time amended and supplemented by Supplemental Indentures in accordance with the provisions of **Article XI** of this Indenture.

"Investment Securities" means any investment approved in writing by the Authorized City Representative and the Owners of all of the Outstanding Bonds.

"JCMG Investment" means JCMG Investment, LLC, a Missouri limited liability company, and its successors or assigns.

"JCMG PC" means Jefferson City Medical Group, P.C., a Missouri professional corporation, and its successors and assigns.

"Lease" means the Personal Property Lease Agreement dated as of December 1, 2022 between the City, as lessor, and JCMG PC, as lessee, as from time to time amended and supplemented by Supplemental Leases in accordance with the provisions thereof and of **Article XII** of this Indenture.

"Lease Term" means the period from the effective date of the Lease until the expiration thereof pursuant to **Section 3.2** of the Lease.

"Net Proceeds" means, when used with respect to any insurance or condemnation award with respect to the Project Equipment, the gross proceeds from the insurance or condemnation award remaining after payment of all expenses (including attorneys' fees, Trustee's fees and any extraordinary expenses of the City and the Trustee) incurred in the collection of such gross proceeds.

"Outstanding" when used with reference to Bonds, means, as of a particular date, all Bonds theretofore authenticated and delivered, except:

(a) Bonds previously canceled by the Trustee or delivered to the Trustee for cancellation;

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

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to this Indenture.

"Owner" means the registered owner of any Bond as recorded on the bond registration records maintained by the Trustee.

"Paying Agent" means 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.

"Payment Date" means the date on which the principal of or interest on any Bond, whether at the stated maturity thereof or the redemption date thereof, is payable, which shall be December 1 of each year that the Bonds are Outstanding.

"Performance Agreement" means the Performance Agreement dated as of December 1, 2022 between the City, JCMG PC and JCMG Investment.

"Permitted Encumbrances" means, as of any particular time (a) liens for ad valorem taxes, special assessments and other governmental charges not then delinquent, (b) this Indenture, the Lease and the Performance Agreement, (c) liens or security interests granted pursuant to any Financing Document, and (d) unrecorded licenses or other rights granted in the ordinary course of business.

"Person" means 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.

"Principal Amount Advanced" means the amount set forth in each requisition certificate in accordance with **Section 4.4** of the Lease, as reflected in the records maintained by the Trustee as provided in the Bonds and this Indenture.

"Project Costs" means all costs of purchasing and installing the Project Equipment, including the following:

(a) all costs and expenses necessary or incident to the acquisition of any portion of the Project Equipment which JCMG PC conveys to the City;

(b) fees and expenses of consultants for any preliminary investigations and items necessary to the determination of the necessary equipment replacements and upgrades, preparation of specifications for the Project Equipment and supervision of the installation of the Project Equipment, as well as for the performance of all other duties of professionals and consultants in relation to the purchase and installation of the Project Equipment or the issuance of the Bonds;

(c) all costs and expenses of every nature incurred in purchasing and installing the Project Equipment, including the actual cost of labor, materials, machinery, furnishings and equipment as payable to contractors and materialmen in connection with the purchase and installation of the Project Equipment;

(d) interest accruing on the Bonds until the Completion Date;

(e) the cost of any insurance maintained in accordance with **Article VII** of the Lease;

(f) reasonable expenses of administration, supervision and inspection properly chargeable to the Project Equipment, legal fees and expenses of Bond Counsel, 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 purchase and installation of the Project Equipment;

(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, including costs of issuance of the Bonds; (2) the purchase and installation of the Project Equipment; and (3) the financing thereof; and

(h) reimbursement to JCMG PC or those acting for it for any of the above enumerated costs and expenses incurred and paid by them before or after the execution of the Lease.

"Project Equipment" means all items of machinery, equipment or other personal property located at the Project Site, acquired on or before the Completion Date pursuant to **Article IV** of the Lease, and paid for in whole from proceeds of the Bonds, as described in **Exhibit A** attached hereto and by this reference made a part hereof.

"Project Fund" means the "City of Jefferson, Missouri, Project Fund – JCMG Personal Property Project" created in **Section 501**.

"Project Improvements" means the construction of an approximately 28,000 square foot stand-alone outpatient surgery center facility located on the Project Site.

"Project Site" means the approximately 6.85 of real property located at 3520 West Edgewood Drive in Jefferson City, Missouri, upon which the Project Improvements and Project Equipment are located.

"Purchaser" means the Person identified in the Bond Purchase Agreement as the purchaser of the Bonds.

"State" means the State of Missouri.

"Supplemental Indenture" means 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" means any supplement or amendment to the Lease entered into pursuant to **Article XII** of this Indenture.

"Trust Estate" means the Trust Estate described in the Granting Clauses of this Indenture.

"Trustee" means BOKF, N.A., St. Louis, Missouri, a national banking association duly organized and existing and authorized to accept and execute trusts of the character herein set forth under the laws of the United States of America, 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.

"Unassigned Rights" means the City's rights under the Lease to receive moneys for its own account and the City's rights to indemnification or to be protected from liabilities by insurance policies required by the Lease, as provided in the Lease.

Section 102. 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 otherwise indicates, 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 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.

(d) All references in this instrument to designated "Articles," "Sections" and other subdivisions are, unless otherwise specified, to the designated Articles, Sections and other 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 other subdivision.

(e) 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 hereof.

(f) Whenever an item or items are listed after the word "including," such listing is not intended to be a listing that excludes items not listed.

Section 103. Date of Indenture. The dating of this Indenture as of December 1, 2022, is intended as and for the convenient identification of this Indenture only and is not intended to indicate that this Indenture was executed and delivered on said date, this Indenture being executed and delivered and becoming effective simultaneously with the initial issuance of the Bonds.

ARTICLE II

THE BONDS

Section 201. Title and Amount of Bonds. No Bonds may be issued under this Indenture except in accordance with the provisions of this Article. The Bonds authorized to be issued under this Indenture shall be designated as the "City of Jefferson, Missouri, Taxable Industrial Development Revenue Bonds (JCMG – Personal Property Project), Series 2022." The maximum total principal amount of Bonds that may be issued hereunder is hereby expressly limited to $2,100,000.

Section 202. Nature of Obligation. 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 Project Equipment and the Lease and not from any other fund or source of the City. The Bonds are secured by a pledge and assignment of the Trust Estate to the Trustee in favor of the Owners, as provided

in this Indenture. The Bonds and the interest thereon shall not constitute general obligations of the City, the State or any political subdivision thereof, and none of the City, the State or any political subdivision thereof shall be liable thereon, and the Bonds shall not constitute an indebtedness within the meaning of any constitutional, statutory or charter debt limitation or restriction and are not payable in any manner by taxation.

Section 203. Denomination, Number and Dating of the Bonds.

(a) The Bonds shall be issuable in the form of one fully-registered Bond, in substantially the form set forth in **Exhibit B**, in the denomination of $0.01 or any multiple thereof.

(b) The Bonds shall be dated by the Trustee as of the date of initial delivery thereof as provided herein. If the Bonds are at any time thereafter transferred, any replacement 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.

(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 named in the Bonds. The payment of principal of the Bonds shall be noted on the Bonds on **Schedule I** thereto and the registration books maintained by the Trustee pursuant to **Section 206**. Payment of the interest on the Bonds shall be made by the Trustee on each Payment Date to the Person appearing on the registration books of the Trustee hereinafter provided for as the Owner thereof on the 15th day (whether or not a Business Day) of the calendar month next preceding such Payment Date by check or draft mailed to such Owner at such Owner's address as it appears on such registration books.

(c) The Bonds and the original **Schedule I** thereto shall be held by the Trustee in trust, unless otherwise directed in writing by the Owner. If the Bonds are held by the Trustee, the Trustee shall, on each Payment Date, send a revised copy of **Schedule I** via facsimile or other electronic means to the Owner, JCMG PC (if not the Owner) and the City. Absent manifest error, the amounts shown on **Schedule I** as noted by the Trustee shall be conclusive evidence of the principal amount paid on the Bonds.

(d) If there is one Owner of the Bonds, the Trustee is authorized to make the final or any interim payments of principal of such Bonds by internal bank transfer or by electronic transfer to an account at a commercial bank or savings institution designated in writing by such Owner and located in the continental United States. The Trustee is also authorized to make interest payments on such Bonds by internal bank transfer or by electronic transfer to an account at a commercial bank or savings institution designated in writing by such Owner and located in the continental United States.

(e) If JCMG PC or any Financing Party is the sole Owner of the Bonds and the lessee under the Lease, then JCMG PC may set-off its obligation to the City as lessor to pay Basic Rent under the Lease against the City's obligation to JCMG PC as bondholder to pay principal of and interest on the Bonds under this Indenture. The Trustee may conclusively rely on the absence of any notice from JCMG PC to the contrary as evidence that such set-off has occurred and that pursuant to the set-off, JCMG PC is

deemed to have paid its obligation to the City as lessor to pay Basic Rent under the Lease and the JCMG PC is deemed to have paid its obligation to JCMG PC as bondholder to pay principal of and interest on the Bonds under this Indenture. On the final Payment Date, JCMG PC may deliver to the Trustee for cancellation the Bonds and JCMG PC shall receive a credit against the Basic Rent payable by JCMG PC under **Section 5.1** of the Lease in an amount equal to the remaining principal of the Bonds so tendered for cancellation plus accrued interest thereon.

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. If any officer whose signature or facsimile thereof appears on the Bonds ceases to be such officer before the delivery of such 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. Any Bond may be signed by such Persons as at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond 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 **Exhibit B**, which shall be manually executed by the Trustee. No Bond shall be entitled to any security or benefit under this Indenture or shall be valid or obligatory for any purposes until such Certificate of Authentication has been duly executed by the Trustee. The executed Certificate of Authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Indenture. The Certificate of Authentication on any Bond shall be deemed to have been duly executed if signed by any authorized signatory of the Trustee.

Section 206. Registration, Transfer and Exchange of Bonds.

(a) The Trustee shall keep books for the registration and transfer of Bonds as provided in this Indenture.

(b) The Bonds may be transferred to an Approved Investor only upon the books kept for the registration and transfer of Bonds upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or such Owner's attorney or legal representative in such form as shall be satisfactory to the Trustee. In connection with any such transfer of the Bonds, the City and the Trustee shall receive an executed representation letter signed by the proposed assignee in substantially the form of **Exhibit C**. The Trustee has no duty or obligation to confirm that any transferee that provides such representation letter is an Approved Investor. 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 or Bonds, 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 Bonds are exchanged or transferred hereunder the provisions of any legend restrictions on the Bonds shall be complied with and the City shall execute and the Trustee shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this Indenture. All Bonds surrendered in any such exchange or transfer shall forthwith be canceled by the Trustee. The City or the Trustee may make a reasonable charge for every such exchange or transfer of Bonds sufficient to reimburse it for 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 of Bonds during the 15 days immediately preceding a Payment Date on the Bonds or, in the case of any proposed redemption of Bonds, during the 15 days immediately preceding the selection of Bonds for such redemption or after such Bonds or any portion thereof has been selected for redemption.

(d) If any Owner fails to provide a certified taxpayer identification number to the Trustee, the Trustee may make a charge against such Owner sufficient to pay any governmental charge required to be paid as a result of such failure, which amount may be deducted by the Trustee from amounts otherwise payable to such Owner under such Owner's Bond.

Section 207. Persons Deemed Owners of Bonds. As to any Bond, the Person in whose name the same is registered as shown on the bond registration books required by **Section 206** shall be deemed and regarded as the absolute owner thereof for all purposes. 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 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) The Bonds are authorized in the aggregate maximum principal amount of $2,100,000 for the purpose of providing funds to pay Project Costs, which Bonds shall be designated the "City of Jefferson, Missouri, Taxable Industrial Development Revenue Bonds (JCMG – Personal Property Project), Series 2022." The Bonds shall be dated as provided in **Section 203(b)** hereof, shall become due on December 1, 2032 (subject to prior redemption as provided in **Article III**) and shall bear interest as specified in **Section 208(f)**, payable on the dates specified in **Section 208(f)**.

(b) The Trustee is hereby designated as the Paying Agent. The Owners of a majority of Bonds then-Outstanding may designate a different Paying Agent upon written notice to the City and the Trustee.

(c) The Bonds shall be executed without material variance from the form and in the manner set forth in **Exhibit B** and delivered to the Trustee for authentication. 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) a certified copy of the Ordinance;

(2) executed counterparts or copies of this Indenture, the Lease, the Performance Agreement and the Bond Purchase Agreement;

(3) a representation letter from the Purchaser in substantially the form attached as **Exhibit C**;

(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 or at the written direction of the Purchaser 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 the name of the Purchaser and the amount of such purchase price; and

(5) such other certificates, statements, receipts and documents as the Trustee shall reasonably require for the delivery of the Bonds.

(d) When the documents specified in subsection (c) of this Section have been filed with the Trustee, and when the Bonds have been executed and authenticated as required by this Indenture, either:

(1) the Purchaser shall pay the Closing Price to the Trustee, and the Trustee shall endorse the Bonds in an amount equal to the Closing Price and then either hold the Bonds in trust or if so directed in writing deliver the Bonds to or upon the order of the Purchaser; or

(2) JCMG PC shall submit a requisition certificate in accordance with **Section 4.4** of the Lease, in an amount equal to the Closing Price, and the Trustee shall authenticate and endorse the Bonds in an amount equal to the Closing Price and then either hold the Bonds in trust or if so directed in writing deliver the Bonds to JCMG PC (or another purchaser or Financing Party designated by JCMG PC).

In either case, the Purchaser shall be deemed to have paid over to the Trustee, and the Trustee shall be deemed to have deposited into the Project Fund, an amount equal to the Closing Price.

(e) Following the initial issuance and delivery of the Bonds, JCMG PC may submit additional requisition certificates in accordance with **Section 4.4** of the Lease. If the Purchaser does not pay to the Trustee the amount set forth in the requisition certificate, the Purchaser will be deemed to have advanced an amount equal to the amount set forth in the requisition certificate and, if the Trustee is holding the Bonds, the Trustee shall endorse the Bonds in an amount equal to the amount set forth in each requisition certificate. The date of endorsement of each Principal Amount Advanced as set forth on **Schedule I** to the Bonds shall be the date of the City's approval of each requisition certificate. The Trustee shall keep a record of the total requisitions submitted to the Trustee for the Project Equipment, and shall notify the City if the requisitions submitted exceed the maximum principal amount of the Bonds.

(f) The Bonds shall bear interest at the rate of 5.00% per annum on the Cumulative Outstanding Principal Amount of the Bonds. Such interest shall be payable in arrears on each December 1, commencing on December 1, 2023, and continuing thereafter until the Cumulative Outstanding Principal Amount is paid in full, but not later than December 1, 2032. Interest shall be calculated on the basis of a year of 360 days consisting of 12 months of 30 days each.

(g) The Trustee shall keep and maintain a record of the amount deposited or deemed to be deposited into the Project Fund pursuant to the terms of this Indenture as the "Principal Amount Advanced" and shall enter the aggregate principal amount of the Bonds then-Outstanding on its records as the "Cumulative Outstanding Principal Amount." If the Trustee is holding the Bonds, such advanced amounts shall be reflected on **Schedule I** to the Bonds. To the extent that advances are deemed to have been made pursuant to a requisition, the Trustee's records of such advances shall be based solely on the requisitions provided to it. On each date upon which a portion of the Cumulative Outstanding Principal Amount is paid to the Owners, pursuant to the redemption provisions of this Indenture, the Trustee shall enter on its records and **Schedule I** to the Bonds, if the Trustee is holding the Bonds, the principal amount paid on the Bonds as the "Principal Amount Redeemed" and shall enter the then-Outstanding principal amount of the Bonds as the "Cumulative Outstanding Principal Amount." The records maintained by the Trustee as to amounts deposited into the Project Fund or principal amounts paid on the Bonds shall be the

official records of the Cumulative Outstanding Principal Amount for all purposes, absent manifest error, and shall be in substantially the form of the Table of Cumulative Outstanding Principal Amount as set out in the form of Bonds in **Exhibit B**. To the extent JCMG PC sets-off its obligation to the City as lessee under the Lease against the City's obligation to JCMG PC as permitted by **Section 204(e)** the Trustee shall not be required to confirm that such set-off has occurred. If any moneys are deposited by the Trustee into the Project Fund, then the Trustee shall provide a statement of receipts and disbursements with respect thereto to the City and JCMG PC on a monthly basis. After the Project Equipment has been acquired and installed and the certificate of payment of all costs is filed as provided in **Section 504**, the Trustee, to the extent it has not already done so pursuant to this Section or **Section 1012**, shall file a final statement of receipts and disbursements with respect thereto with the City and JCMG PC.

Section 209. Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond becomes mutilated or is lost, stolen or destroyed, the City shall execute and the Trustee shall authenticate and deliver a new Bond of like series, date and tenor as the Bond mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the City and the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together with indemnity satisfactory to the Trustee to save, defend and hold each of the City and the Trustee harmless. If any such Bond has matured, instead of delivering a substitute Bond, the Trustee may pay 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 210. Cancellation and Destruction of Bonds Upon Payment.

(a) All Bonds that have been paid or redeemed or that the Trustee has purchased or that have otherwise been surrendered to the Trustee under this Indenture, either at or before maturity shall be canceled by the Trustee immediately upon the payment, redemption or purchase of such Bonds and the surrender thereof to the Trustee.

(b) All Bonds canceled under any of the provisions of this Indenture shall be destroyed by the Trustee in accordance with applicable laws and regulations and the Trustee's policies and practices. The Trustee shall execute a certificate describing the Bonds so destroyed, and shall file executed counterparts of such certificate with the City and JCMG PC.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption of Bonds.

(a) The Bonds are subject to redemption and payment at any time before the stated maturity thereof, at the option of the City, upon written instructions from JCMG PC, (1) in whole, if JCMG PC, in accordance with the terms of the Lease, exercises its option to purchase the Project Equipment and deposits an amount sufficient to effect such purchase pursuant to the Lease on the applicable redemption date, or (2) in part, if JCMG PC prepays additional Basic Rent pursuant to the Lease. If only a portion of the Bonds are to be redeemed, (A) Bonds aggregating at least 10% of the maximum aggregate principal amount of Bonds authorized hereunder shall not be subject to redemption and payment before the stated maturity thereof, and (B) the Trustee shall keep a record of the amount of Bonds to remain Outstanding following such redemption. Any redemption of Bonds pursuant to this paragraph shall be at a redemption price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the redemption date.

(b) The Bonds are subject to mandatory redemption, in whole or in part, to the extent of amounts deposited in the Bond Fund pursuant to **Sections 9.1(f)** or **9.2(c)** of the Lease, in the event of substantial damage to or destruction or condemnation of substantially all of the Project Equipment. Bonds to be redeemed pursuant to this paragraph shall be called for redemption by the Trustee on the earliest practicable date for which timely notice of redemption may be given as provided hereunder. Any redemption of Bonds pursuant to this paragraph shall be at a redemption price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the redemption date. Before giving notice of redemption to the Owners pursuant to this paragraph (b), money in an amount equal to the redemption price shall have been deposited in the Bond Fund.

(c) At its option, JCMG PC may deliver to the Trustee for cancellation any Bonds owned by JCMG PC and not previously paid, and JCMG PC shall receive a credit against the amounts payable by JCMG PC for the redemption of such Bonds in an amount equal to the principal amount of the Bonds so tendered for cancellation, plus accrued interest.

Section 302. Effect of Call for Redemption. Before or on the date fixed for redemption, funds, Government Securities or a combination thereof, shall be placed with the Trustee which are sufficient to pay the Bonds 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 of Bonds thus called for redemption shall cease to bear interest on the specified redemption date, 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 the Bonds are fully redeemed before 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 JCMG PC's direction, deliver to JCMG PC the items described in **Section 11.2** of the Lease.

Section 303. Notice of Redemption. If the Bonds are to be called for redemption as provided in **Section 301(a)**, JCMG PC shall deliver written notice to the City and the Trustee that it has elected to redeem all or a portion of the Bonds at least 40 days (10 days if there is one Owner) before the scheduled redemption date. The Trustee shall then deliver written notice to the Owners at least 30 days (five days if

there is one Owner) before the scheduled redemption date by first-class mail (or facsimile, if there is one Owner) stating the date upon which the Bonds will be redeemed and paid, unless such notice period is waived by the Owners in writing.

ARTICLE IV

FORM OF BONDS

Section 401. Form Generally. The Bonds and the Trustee's Certificate of Authentication to be endorsed thereon shall be issued in substantially the forms set forth in **Exhibit B**. 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.

ARTICLE V

CUSTODY AND APPLICATION OF BOND PROCEEDS

Section 501. Creation of Funds. There are hereby created and ordered to be established in the custody of the Trustee the following special trust funds in the name of the City:

(a) "City of Jefferson, Missouri, Project Fund – JCMG Personal Property Project" (herein called the **"Project Fund"**).

(b) "City of Jefferson, Missouri, Bond Fund – JCMG Personal Property Project" (herein called the **"Bond Fund"**).

Section 502. Deposits into the Project Fund. The proceeds of the sale of the Bonds (whether actually paid or deemed paid under **Section 208(d)**), including Additional Payments as defined in the Bond Purchase Agreement, when received, excluding such amounts required to be paid into the Bond Fund pursuant to **Section 601**, shall be deposited by the Trustee into the Project Fund. Any money received by the Trustee from any other source for the purpose of purchasing and installing the Project Equipment thereon shall pursuant to any written directions from the Person depositing such moneys also be deposited into the Project Fund.

Section 503. Disbursements from the Project Fund.

(a) The moneys in the Project Fund shall be disbursed by the Trustee for the payment of, or reimbursement to JCMG PC (or any other party that has made payment on behalf of JCMG PC) for payment of, Project Costs upon receipt of requisition certificates signed by JCMG PC in accordance with the provisions of **Article IV** of the Lease. The Trustee hereby covenants and agrees to disburse such moneys in accordance with such provisions.

(b) If, pursuant to **Sections 208(d)** or **(e)**, the Trustee is deemed to have deposited into the Project Fund the amount specified in a requisition certificate submitted by JCMG PC to the Trustee in accordance with the provisions of **Article IV** of the Lease, the Trustee shall upon endorsement of the Bonds in an equal amount be deemed to have disbursed such funds from the Project Fund to JCMG PC (or such other Person designated by JCMG PC) in satisfaction of such requisition certificate. If the

Trustee is holding the Bonds, such deemed disbursement will be deemed to have been made on the date the Trustee endorses the Bonds with respect to such additional amount.

(c) In paying any requisition under this Section, 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 JCMG PC Representative. If the City so requests in writing, a copy of each requisition certificate submitted to the Trustee for payment under this Section shall be promptly provided by the Trustee to the City. 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.

Section 504. Completion of the Purchase and Installation of the Project Equipment. The completion of the purchase and installation of the Project Equipment and payment of all costs and expenses incident thereto shall be evidenced by the filing with the Trustee of the certificate required by the provisions of **Section 4.5** of the Lease. As soon as practicable after the Completion Date, any balance remaining in the Project Fund shall without further authorization be transferred by the Trustee to the Bond Fund and applied as provided in **Section 4.6** of the Lease.

Section 505. Disposition Upon Acceleration. If the principal of the Bonds has become due and payable pursuant to **Section 902**, upon the date of payment by the Trustee of any moneys due as hereinafter provided in **Article IX**, any balance remaining in the Project Fund shall without further authorization be deposited in the Bond Fund by the Trustee, with advice to the City and JCMG PC of such action.

ARTICLE VI

REVENUES AND FUNDS

Section 601. Deposits into the Bond Fund.

(a) The Trustee shall deposit into the Bond Fund, as and when received, (1) all accrued interest on the Bonds, if any, paid by the Purchaser; (2) all Basic Rent payable by JCMG PC to the City specified in **Section 5.1** of the Lease; (3) any Additional Rent payable by JCMG PC specified in **Section 5.2** of the Lease; (4) any amount in the Project Fund to be transferred to the Bond Fund pursuant to **Section 504** upon completion of the purchase and installation of the Project Equipment or pursuant to **Section 505** upon acceleration of the Bonds; (5) subject to the terms and conditions of any Financing Document with respect to the use thereof, the balance of any Net Proceeds of condemnation awards or insurance received by the Trustee pursuant to **Article IX** of the Lease; (6) the amounts to be deposited in the Bond Fund pursuant to **Sections 9.1(f)** and **9.2(c)** of the Lease; (7) all interest and other income derived from investments of Bond Fund moneys as provided in **Section 702**; and (8) all other moneys received by the Trustee under and pursuant to any of the provisions of the Lease when accompanied by written directions from the Person depositing such moneys that such moneys are to be paid into the Bond Fund.

(b) Whether or not deposits are being made to the Trustee, the Trustee shall notify JCMG PC in writing, at least 15 days before each date on which a payment is due under **Section 5.1** of the Lease, of the amount that is payable by JCMG PC pursuant to such Section.

Section 602. Application of Moneys in the Bond Fund.

(a) Except as provided in **Section 604** and **Section 908** hereof and **Section 4.6** of the Lease, moneys in the Bond Fund shall be expended solely for the payment of the principal of and interest on the Bonds as the same matures and becomes due or upon the redemption thereof before 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 601** above, 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 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 before and until such redemption, the City covenants and agrees, upon request of JCMG PC, 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 JCMG PC. 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** so long as JCMG PC 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.

(d) After payment in full of the principal of and interest, if any, on the Bonds (or provision has been made for the payment thereof as provided in this Indenture) and the fees, charges and expenses of the Trustee, the City and any Paying Agent and any other amounts required to be paid under this Indenture, the Lease and the Performance Agreement, all amounts remaining in the Bond Fund shall be paid to JCMG PC upon the expiration or sooner termination of the Lease.

Section 603. Payments Due on Days Other than Business Days. 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 is not a Business Day, 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 604. Nonpresentment of Bonds. If any Bond is not 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 Bond shall have been made available to the Trustee, all liability of the City to the Owner thereof for the payment of such Bond 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 Owner of such Bond 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 Bond. If any Bond is not presented for payment within one year following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall without liability for interest thereon repay to JCMG PC the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured

obligation of JCMG PC, and the Owner thereof may look only to JCMG PC for payment, and then only to the extent of the amount so repaid, and JCMG PC shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

ARTICLE VII

SECURITY FOR DEPOSITS AND INVESTMENT OF 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 Project Fund under any provision of this Indenture, and all moneys deposited with or paid to any Paying Agent under any provision of this Indenture, shall be held by the Trustee or Paying Agent in trust and shall be applied only in accordance with the provisions of this Indenture and the Lease, and, until used or applied as herein provided, shall constitute part of the Trust Estate and be subject to the lien hereof. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys received hereunder.

Section 702. Investment of Moneys in Project Fund and Bond Fund. Moneys held in the Project Fund and the Bond Fund shall, pursuant to written direction of JCMG PC, signed by the Authorized JCMG PC Representative, be separately invested and reinvested by the Trustee in Investment Securities which mature or are subject to redemption by the Owner before the date such funds will be needed. If JCMG PC fails to provide written directions concerning investment of moneys held in the Project Fund and the Bond Fund, the Trustee shall hold such amounts uninvested in cash. The Trustee may conclusively rely upon the Authorized JCMG PC Representative's written instructions as to both the suitability and legality of the directed investments and such written direction shall be deemed to be a certification that such directed investments constitute Investment Securities. The Trustee is specifically authorized to implement its automated cash investment system to assure that cash on hand is invested and to charge its normal cash management fees and cash sweep account fees, which may be deducted from income earned on investments; provided that any such fees shall not exceed the interest income on the investment. 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 the existence of an Event of Default, the Trustee shall direct the investment of moneys in the Bond Fund and the Project 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 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 and with the provisions of **Article VI** while any of the Bonds are Outstanding.

ARTICLE VIII

GENERAL COVENANTS AND PROVISIONS

Section 801. Payment of Principal and Interest. The City covenants and agrees that it will, but solely from the rents, revenues and receipts derived from the Project Equipment 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 interest on the Bonds as they become due and payable at the place, on the dates and in the manner provided herein and in the Bonds according to the true intent and meaning thereof. Nothing herein shall be construed as requiring the City to operate the Project Equipment in a business-like manner other than as lessor or to use any funds or revenues from any source other than funds and revenues derived from the Project Equipment.

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 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 Owners thereof are and will be valid and enforceable obligations of the City according to the import thereof.

Section 803. Performance of Covenants. The City covenants that it will faithfully perform or cause to be performed at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in the Bonds and in all proceedings of its City Council pertaining thereto. The Trustee may take such action as it 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 it 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 property and revenues herein described to the payment of the principal of and interest, if any, on the Bonds, upon being first indemnified by JCMG PC for the cost thereof. The City covenants and agrees that, except as herein and in the Lease provided, it will not sell, convey, mortgage, encumber or otherwise dispose of any part of the Project Equipment or the rents, revenues and receipts derived therefrom or from the Lease, or of its rights under the Lease.

Section 805. Recordings and Filings. The City shall file or cause to be kept and filed all financing statements and hereby authorizes and directs the Trustee to file or cause to be kept and filed continuation statements with respect to such originally filed financing statements related to this Indenture and all supplements hereto and such other documents as may be required under the Uniform Commercial Code in order to fully preserve and protect the security of the Owners and the rights of the Trustee hereunder. The City will cooperate in causing this Indenture and all Supplemental Indentures, the Lease and all Supplemental Leases and all 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 Owners and the rights of the Trustee hereunder. The Trustee shall file continuation statements with respect to each Uniform Commercial Code financing statement relating to the Trust Estate filed by the City at the time of the issuance of the Bonds; provided that a copy of the filed initial financing statement is timely delivered to the Trustee. In addition, unless the Trustee has been notified in writing by the City that any such initial filing or description of collateral was or has become defective, the Trustee shall be

fully protected in (a) relying on such initial filing and description of collateral in filing any financing or continuation statements or modifications thereto pursuant to this Section, and (b) filing any continuation statements in the same filing office as the initial filing was made. JCMG PC shall be responsible for the customary fees charged by the Trustee for the preparation and filing of continuation statements and for the reasonable costs incurred by the Trustee in the preparation and filing of all continuation statements hereunder, including attorneys' fees and expenses. These fees shall be considered "extraordinary services" fees.

Section 806. Inspection of Books. The City covenants and agrees that all books and documents in its possession relating to the Project Equipment and the rents, revenues and receipts derived from the Project Equipment 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 Trustee, as assignee, transferee, pledgee and owner of a security interest under this Indenture, in its name or in the name of the City, may enforce all assigned rights of the City and the Trustee and all obligations of JCMG PC under and pursuant to the Lease for and on behalf of the Owners, whether or not the City is in default hereunder.

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 of any Bond, whether at the stated maturity or accelerated maturity thereof, or at any date fixed for the 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 any date fixed for the redemption thereof;

(c) Default as specified in **Section 12.1** of the Lease has occurred; or

(d) Default in the performance or breach of any other covenant or agreement under this Indenture.

No default specified above shall constitute an Event of Default until the City, the Trustee or the Owners of 25% in aggregate principal amount of all Bonds Outstanding has given actual notice of such default by registered or certified mail or a recognized overnight delivery service to JCMG PC and each Financing Party, and JCMG PC and each Financing Party have had 30 days after receipt of such notice to correct said default or cause said default to be corrected and has not 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) is such that it cannot be corrected within such period, it shall not constitute an Event of Default if corrective action is instituted by JCMG PC, any Financing Party or the City, as the case may be, within such period and diligently pursued until the default is corrected; provided, further that the Trustee is provided with a certification from the defaulting party to the effect that such default cannot be corrected within such period and JCMG PC, any Financing Party or the City, as the case may be, has commenced or will promptly commence corrective action within such period and will diligently pursue

such action until the default is corrected. Nothing herein shall constitute an obligation of any Financing Party to cure any defaults hereunder.

Section 902. Acceleration of Maturity in Event of Default.

(a) If an Event of Default has occurred and is continuing after the notice and cure period described in **Section 901** elapses, the Trustee may, and upon the written request of the City or the Owners of not less than 25% in aggregate principal amount of Bonds then-Outstanding, shall, by notice in writing delivered to the City, each Financing Party and JCMG PC, declare the principal of all Bonds then-Outstanding and the interest accrued thereon immediately due and payable, and such principal and interest and all other amounts due hereunder shall thereupon become and be immediately due and payable.

(b) If, at any time after such declaration, but before the Bonds have matured by their terms, all overdue installments of principal and interest upon the Bonds, together with the reasonable and proper expenses of the Trustee, and all other sums then payable by the City under this Indenture are either paid or provisions satisfactory to the Trustee are made for such payment, then and in every such case the Trustee shall, but only with the written approval of a majority of the Owners of the Bonds then-Outstanding, rescind such declaration and annul such default in its entirety. In such event, the Trustee shall rescind any declaration of acceleration of installments of rent payments on the Bonds as provided in **Section 11.1** of the Lease.

(c) In case of any rescission, then and in every such case the City, the Trustee, JCMG PC and the Owners shall be restored to their former positions and rights hereunder respectively, but no such rescission shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

Section 903. Surrender of Possession of Trust Estate; Rights and Duties of Trustee in Possession. If an Event of Default has occurred and is continuing after the notice and cure period described in **Section 901** elapses, 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 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, its agents and counsel, (b) any reasonable charges of the Trustee hereunder, (c) any taxes and assessments and other charges before the lien of this Indenture, (d) all expenses of such repairs and improvements and (e) any amounts payable under the Performance Agreement. The Trustee shall apply the remainder of the moneys so received in accordance with the provisions of **Section 908**. Whenever all that is due upon the Bonds has been paid and all defaults cured, 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 JCMG PC a summarized statement of receipts and expenditures in connection therewith.

Section 904. Appointment of Receivers in Event of Default. If an Event of Default has occurred and is continuing after the notice and cure period described in **Section 901** elapses, and upon the

filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Owners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate or any part thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 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 all other amounts due hereunder, and to enforce and compel the performance of the duties and obligations of the City or JCMG PC as herein set forth or as set forth in the Lease, respectively.

(b) If an Event of Default has occurred and is continuing after the notice and cure period described in **Section 901** elapses, and if requested in writing to do so by (1) the City (in the case of an Event of Default pursuant to **Section 12.1(a)** (but only as it relates to Additional Rent), **(b)** (but only as it relates to Unassigned Rights), **(c)** or **(d)** of the Lease), or (2) the Owners of 25% in aggregate principal amount of Bonds then-Outstanding and indemnified as provided in **Section 1001(l)**, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Article as the Trustee, being advised by counsel, shall deem most expedient and in the interests of the City or the Owners, as the case may be.

(c) All rights of action under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the 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 its name as Trustee without necessity of joining as plaintiffs or defendants any Owners, and any recovery of judgment shall, subject to the provisions of **Section 908**, be for the equal benefit of all the Owners of the Outstanding Bonds.

Section 906. Limitation on Exercise of Remedies by Owners. No Owner shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereunder or for the appointment of a receiver or any other remedy hereunder, unless (a) a default has occurred of which the Trustee has been notified as provided in **Section 1001(h)** or of which by said subsection the Trustee is deemed to have notice, (b) such default has become an Event of Default, (c) the Owners of 25% in aggregate principal amount of Bonds then-Outstanding have made written request to the Trustee, have offered it reasonable opportunity either to proceed for such reasonable period not to exceed 60 days following such notice and to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, and have offered to the Trustee indemnity as provided in **Section 1001(l)**, and (d) the Trustee thereafter fails or refuses 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 Owners 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 in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Owners of all Bonds then-Outstanding. Nothing in this Indenture contained shall, however, affect or impair the right of any Owner to payment of the principal of and interest on any Bond at and after the

maturity thereof or the obligation of the City to pay the principal of and interest on each of the Bonds issued hereunder to the respective Owners thereof at the time, place, from the source and in the manner herein and in the Bonds expressed.

Section 907. Right of Owners to Direct Proceedings.

(a) The Owners of a majority in aggregate principal amount of Bonds then-Outstanding may, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, 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, including **Section 1001(l)**.

(b) Notwithstanding any provision in this Indenture to the contrary, including paragraph (a) of this Section, the Owners shall not have the right to control or direct any remedies hereunder upon an Event of Default under **Section 12.1(a)** (but only as it relates to Additional Rent), **(b)** (but only as it relates to Unassigned Rights), **(c)** or **(d)** of the Lease.

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 shall first be applied to the costs 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 amounts to be paid pursuant to **Section 903** and second be applied to the obligations outstanding under the Lease and the Performance Agreement. Any remaining moneys shall be deposited in the Bond Fund and applied as follows:

(1) Unless the principal of all the Bonds has become or has 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 thereto of the unpaid principal of any of the Bonds which shall have become due and payable (other than 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 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 the principal of all the Bonds has become due or has 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 Persons entitled thereto, without any discrimination or privilege.

(3) If the principal of all the Bonds has been declared due and payable, and if such declaration thereafter has been rescinded and annulled under the provisions of **Section 910**, then, subject to the provisions of subsection (2) of this Section if the principal of all the Bonds later becomes due or is declared due and payable, the moneys shall be applied in accordance with the provisions of subsection (1) of this Section.

(b) Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times and from time to time as the Trustee shall determine, having due regard to the amount of such moneys available and which may become available for such application in the future. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be a Payment Date unless it 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 under the provisions of this Section, and all fees, expenses and charges of the City and the Trustee and any other amounts required to be paid under this Indenture and the Lease have been paid (including any amounts payable under the Performance Agreement), any balance remaining in the Bond Fund shall be paid to JCMG PC as provided in **Section 602**.

Section 909. Remedies Cumulative. No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or to the Owners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Owners hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right, power or remedy accruing upon any Event of Default 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. If the Trustee has 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 have been determined adversely, then and in every such case the City, JCMG PC, the Trustee and the Owners 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 shall 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, but only upon the written request of the Owners of at least 50% in aggregate principal amount of all the Bonds then-Outstanding; provided, however, that (a) there shall not be waived without the consent of the City an Event of Default hereunder arising from an Event of Default under **Section 12.1(a)** (but only as it relates to Additional Rent), **(b)** (but only as it relates to Unassigned Rights), **(c)** or **(d)** of the Lease, and (b) there shall not be waived without the consent of the Owners of all the Bonds Outstanding (1) 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 (2) any Event of Default in the payment when due of the interest on any such Bonds, unless before 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 and the City (including reasonable attorneys' fees and expenses), in connection with such default, 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 has been discontinued or abandoned or determined adversely, then and in every such case the City, JCMG PC, the Trustee and the Owners shall be restored to their former positions, rights and obligations hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

ARTICLE X

THE TRUSTEE

Section 1001. Acceptance of the Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform all ministerial duties and obligations of the City hereunder (except as otherwise provided in **Section 805**) 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, before the occurrence of an Event of Default and after the curing or waiver of all Events of Default that 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 has occurred and is continuing, subject to **Section 1001(l)** below, the Trustee shall exercise such of the rights and powers vested in it by this Indenture and shall use the same degree of care and skill in their exercise as a prudent Person would exercise or use under the circumstances in the conduct of its own affairs.

(b) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents, affiliates, 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 it with due care. The Trustee may conclusively rely upon and act or refrain from acting upon any opinion or advice of counsel, who may be counsel to the City or to JCMG PC, 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 it 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) 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 the Bonds), or except as provided in the Lease and particularly **Section 10.8** thereof, for the recording or rerecording, filing or refiling of this Indenture or any security agreement in connection therewith (excluding the continuation of Uniform Commercial Code financing statements), or for insuring the Project Equipment or collecting any insurance moneys, or for the validity of the execution by the City of this Indenture or of any Supplemental Indentures or instruments of further assurance, or for the sufficiency of the security of the Bonds. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with **Article VII**.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated and delivered hereunder. The Trustee, in its individual or any other capacity, may become the Owner

or pledgee of Bonds with the same rights that it would have if it were not the Trustee. The Trustee shall not be accountable for the use or application by the City or JCMG PC of the proceeds of any of the Bonds or of any money paid to or upon the order of the City or JCMG PC under any provision of this Indenture.

(e) The Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, 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 it 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 an Owner, shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds 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 before taking, suffering or omitting any action hereunder, the Trustee may rely upon a certificate signed by an Authorized City Representative or an Authorized JCMG PC Representative as sufficient evidence of the facts therein contained, and before the occurrence of a default of which the Trustee has been notified as provided in subsection (h) of this Section or of which by said subsection it 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 its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be answerable for other than its negligence or willful misconduct.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any 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**, unless the Trustee is specifically notified in writing of such default by the City or by the Owners of at least 25% in aggregate principal amount of all Bonds then-Outstanding.

(i) At any and all reasonable times and subject to JCMG PC's reasonable and standard security procedures, the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives may, but shall not be required to, inspect any and all of the Project Equipment, and all books, papers and records of JCMG PC pertaining to the Project 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 JCMG PC 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 Project Equipment.

(k) The Trustee may, but shall not be required to, demand, in respect of the authentication of any Bonds, 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 Bonds, the withdrawal of any cash, the release of any property or the taking of any other action by the Trustee.

(l) Notwithstanding anything in this Indenture or the Lease to the contrary, before taking any action under this Indenture other than the payments from moneys on deposit in the Project Fund or the Bond Fund, as provided herein, the Trustee may require that satisfactory indemnity be furnished to it for the reimbursement of all costs and expenses to which it may be put and to protect it against all liability which it may incur in or by reason of such action, except liability which is adjudicated to have resulted from its negligence or willful misconduct by reason of any action so taken.

(m) Notwithstanding any other provision of this Indenture to the contrary, any provision relating to the conduct of or intended to provide authority to act, right to payment of fees and expenses, protection, immunity and indemnification to the Trustee, shall be interpreted to include any action of the Trustee, whether it is deemed to be in its capacity as Trustee, bond registrar or Paying Agent.

(n) No provision of this Indenture or any other agreement executed in connection herewith shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers, except to the extent resulting from the Trustee's bad faith, negligence or willful misconduct.

Section 1002. Fees, Charges and Expenses of the Trustee. The Trustee shall be entitled to payment of and/or reimbursement for reasonable fees for its ordinary services rendered hereunder and all advances, agent and counsel fees and other ordinary expenses reasonably made or incurred by the Trustee in connection with such ordinary services. If it becomes necessary for the Trustee to perform extraordinary services, it shall be entitled to reasonable extra compensation therefor and to reimbursement for reasonable extraordinary expenses in connection therewith; provided that if such extraordinary services or extraordinary expenses are caused by the neglect or willful misconduct of the Trustee, it shall not be entitled to compensation or reimbursement therefor. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent for the Bonds. Pursuant to the provisions of **Section 5.2** of the Lease, JCMG PC 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 reasonable fees, charges and expenses of the Trustee, and the Trustee agrees to look only to JCMG PC 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 before payment on account of principal of or interest on any Bond, upon all moneys in its possession under any provisions hereof for the foregoing reasonable advances, fees, costs and expenses incurred. The Trustee's right to compensation and indemnification shall survive the satisfaction and discharge of this Indenture or its resignation or removal hereunder and payment in full of the Bonds.

Section 1003. Notice to Owners if Default Occurs. If a default occurs of which the Trustee is by **Section 1001(h)** required to take notice or if notice of default is given as in said subsection (h) provided, then the Trustee shall give written notice thereof to the last known Owners of all Bonds then-Outstanding as shown by the bond registration books required by **Section 206** 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 its counsel, has a substantial bearing on the interests of Owners, the Trustee may intervene on behalf of Owners and, subject to the provisions of **Section 1001(l)**, shall do so if requested in writing by the Owners of at least 25% of the aggregate principal amount of Bonds then-Outstanding.

Section 1005. Successor Trustee Upon Merger, Consolidation or Sale. With the prior written consent of JCMG PC, any corporation or association into which the Trustee may be merged or converted or with or into which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any merger, conversion, sale, consolidation or transfer to which it is a party, shall be and become successor Trustee hereunder and shall be vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereunder as was its predecessor, without the execution or filing of any instrument or any further act on the part of any of the parties hereto.

Section 1006. Resignation of Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving 30 days' written notice to the City, JCMG PC and the Owners, and such resignation shall take effect at the end of such 30 days, or upon the earlier appointment of a successor Trustee by the Owners or by the City; provided, however, that in no event shall the resignation of the Trustee or any successor trustee become effective until such time as a successor Trustee has been appointed and has accepted the appointment. If no successor has been appointed and accepted the appointment within 30 days after the giving of such notice of resignation, the Trustee may, at JCMG PC's expense, petition any court of competent jurisdiction for the appointment of a successor Trustee.

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 JCMG PC and signed by the Owners of a majority in aggregate principal amount of Bonds then-Outstanding, or (b) so long as no Event of Default under this Indenture or the Lease shall have occurred and be continuing, delivered to the Trustee, the City and the Owners and signed by JCMG PC.

Section 1008. Appointment of Successor Trustee. If the Trustee hereunder resigns or is removed, or otherwise becomes incapable of acting hereunder, or if it is taken under the control of any public officer or officers or of a receiver appointed by a court, a successor Trustee (a) reasonably acceptable to the City may be appointed by JCMG PC (so long as no Event of Default has occurred and is continuing), or (b) reasonably acceptable to the City and JCMG PC may be appointed by the Owners of a majority in aggregate principal amount of 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 its Mayor and attested by its City Clerk under its 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 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 shall be a trust company or bank in good standing and qualified to accept such trust with a corporate trust office in the State, and having a reported capital, surplus and undivided profits of not less than $50,000,000. If no successor Trustee has been so appointed and accepted appointment in the manner herein provided, the Trustee, at JCMG PC's expense, or any Owner may petition any court of competent jurisdiction for the appointment of a successor Trustee, until a successor has been appointed as above provided.

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 JCMG PC 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 and the duties and obligations of such predecessor hereunder shall thereafter cease and terminate; 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 by it as Trustee hereunder to its successor. Should any instrument in writing from the City be required by any predecessor or successor Trustee for more fully and certainly vesting in such successor the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereby vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the City.

Section 1010. Right of Trustee to Pay Taxes and Other Charges. If any tax, assessment or governmental or other charge upon, or insurance premium with respect to, any part of the Project Equipment is not paid as required herein or in the Lease, the Trustee may pay such tax, assessment or governmental charge or insurance premium, without prejudice, however, to any rights of the Trustee or the Owners hereunder arising in consequence of such failure; any amount at any time so paid under this Section, 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 Project Equipment, if not otherwise caused to be paid; but the Trustee shall be under no obligation to make any such payment unless it has been requested to do so by the Owners of at least 25% of the aggregate principal amount of Bonds then-Outstanding and has 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) 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 this Indenture or the Lease upon the occurrence of an Event of Default or if the Trustee deems that by reason of any present or future law of any jurisdiction it cannot 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.

(b) If the Trustee appoints an additional individual or institution as a co-trustee or separate trustee (which appointment shall be subject to the approval of JCMG PC), 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 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.

(d) If 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, JCMG PC and to any Owner requesting the same and, upon the request of the City, JCMG PC or any Owner, at such Owner's expense, a monthly accounting to any such party, 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 it under the Lease.

ARTICLE XI

SUPPLEMENTAL INDENTURES

Section 1101. Supplemental Indentures Not Requiring Consent of Owners. The City and the Trustee may from time to time, without the consent of or notice to any of the Owners, 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 which is not to the material prejudice of the Owners, or, in the judgment of the Trustee, is not to the material prejudice of the Trustee or the Owners (provided the Trustee shall be entitled to receive and may rely upon an opinion of counsel in exercising such judgment);

(b) To grant to or confer upon the Trustee for the benefit of the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners or the Trustee or either of them;

(c) To more precisely identify the Project Equipment or to add additional property thereto;

(d) To conform this Indenture to amendments to the Lease made by the City and JCMG PC; or

(e) To subject to this Indenture additional revenues, properties or collateral.

Section 1102. Supplemental Indentures Requiring Consent of Owners.

(a) Exclusive of Supplemental Indentures covered by **Section 1101** and subject to the terms and provisions contained in this Section, and not otherwise, the Owners of not less than a majority in aggregate principal amount of the Bonds then-Outstanding may, from time to time, anything contained in this Indenture to the contrary notwithstanding, 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 Owners of 100% of the principal amount of the Bonds then-Outstanding, nothing in this Section 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 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 or Bonds over any other Bond or Bonds, or (4) a reduction in the aggregate principal amount of Bonds the Owners of which are required for consent to any such Supplemental Indenture.

(b) If the City requests the Trustee to enter into any such Supplemental Indenture for any of the purposes of this Section, the Trustee shall cause notice of the proposed execution of such Supplemental Indenture to be mailed to each Owner as shown on the bond registration books required by **Section 206**. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the corporate trust office of the Trustee for inspection by all Owners. If within 60 days or such longer period as may be prescribed by the City following the mailing of such notice, the Owners 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 Owner 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. JCMG PC's Consent to Supplemental Indentures. Anything herein to the contrary notwithstanding, a Supplemental Indenture under this Article shall not become effective unless and until JCMG PC and any Financing Party have consented in writing to the execution and delivery of such Supplemental Indenture. The Trustee shall cause notice of the proposed execution and delivery of any Supplemental Indenture (regardless of whether it affects JCMG PC's rights) together with a copy of the proposed Supplemental Indenture to be mailed to JCMG PC and any Financing Party of which the Trustee has received written notice thereof at least 15 days before the proposed date of execution and delivery of the Supplemental Indenture.

Section 1104. Opinion of Counsel. In executing, or accepting the additional trusts created by, any Supplemental Indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee and the City shall receive, and, shall be fully protected in relying upon, an opinion of counsel addressed and delivered to the Trustee and the City stating that the execution of such Supplemental Indenture is permitted by and in compliance with this Indenture and will, upon the execution and delivery thereof, be a valid and binding obligation of the City. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which affects the Trustee's rights, duties or immunities under this Indenture or otherwise.

ARTICLE XII

SUPPLEMENTAL LEASES

Section 1201. Supplemental Leases Not Requiring Consent of Owners. The City and the Trustee shall, without the consent of or notice to the Owners, consent to the execution of any Supplemental Lease or Supplemental Leases by the City and JCMG PC as may be required (a) by the provisions of the Lease and this Indenture, (b) for the purpose of curing any ambiguity or formal defect or omission in the Lease, (c) so as to more precisely identify the Project Equipment or add additional property thereto or (d) 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 Owners (provided the Trustee is entitled to receive and rely upon an opinion of counsel in exercising such judgment).

Section 1202. Supplemental Leases Requiring Consent of Owners. Except for Supplemental Leases as provided for in **Section 1201**, neither the City nor the Trustee shall consent to the execution of any Supplemental Lease or Supplemental Leases by the City or JCMG PC without the mailing of notice and the obtaining of the written approval or consent of the Owners 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**. If at any time the City and JCMG PC 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** 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 corporate trust office of the Trustee for inspection by all Owners. If within 60 days or such longer period as may be prescribed by the City following the mailing of such notice, the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Lease shall have consented to and approved the execution thereof as herein provided, no Owner 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 1203. Opinion of Counsel. In executing or consenting to any Supplemental Lease permitted by this Article, the City and the Trustee shall receive, and shall be fully protected in relying upon, an opinion of counsel addressed to the Trustee and the City stating that the execution of such Supplemental Lease is authorized or permitted by the Lease and this Indenture and the applicable law and will upon the execution and delivery thereof be valid and binding obligations of the parties thereto.

ARTICLE XIII

SATISFACTION AND DISCHARGE OF INDENTURE

Section 1301. Satisfaction and Discharge of this Indenture.

(a) When the principal of and interest on all the Bonds have been paid in accordance with their terms or provision has been made for such payment, as provided in **Section 1302**, and provision also made for paying all other sums payable hereunder and under the Lease and the Performance Agreement, including the reasonable fees and expenses of the Trustee, the City and the Paying Agent to the date of retirement of the Bonds, then the right, title and interest of the Trustee in respect hereof shall thereupon

cease, determine and be void. Thereupon, the Trustee shall cancel, discharge and release this Indenture and shall upon the written request of the City or JCMG PC execute, acknowledge and deliver to the City such instruments of satisfaction and discharge or release as shall be required to evidence such release and the satisfaction and discharge of this Indenture, and shall assign and deliver to the City (subject to the City's obligations under **Section 11.2** of the Lease) any property at the time subject to this Indenture which may then be in its possession, except amounts in the Bond Fund required to be paid to JCMG PC under **Section 602** 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** 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. Bonds Deemed to be Paid.

(a) Bonds shall be deemed to be paid within the meaning of this Article 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) have been made or caused to be made in accordance with the terms thereof, or (2) have been provided for by depositing with the Trustee or other commercial bank or trust company having full trust powers and authorized to accept trusts in the State in trust and irrevocably set aside exclusively for such payment (A) moneys sufficient to make such payment or (B) Government Securities maturing as to principal and interest in such amount and at such times as will ensure the availability of sufficient moneys to make such payment, or (3) have been provided for by surrendering the Bonds to the Trustee for cancellation. At such time as Bonds are deemed to be paid hereunder, as aforesaid, they 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 before 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 before their respective stated maturities, proper notice of such redemption has been given in accordance with **Article III** or irrevocable instructions 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, all moneys or Government Securities set aside and held in trust pursuant to the provisions of this Section for the payment of Bonds shall be applied to and used solely for the payment of the particular Bonds, with respect to which such moneys or Government Securities have been so set aside in trust.

ARTICLE XIV

MISCELLANEOUS PROVISIONS

Section 1401. Consents and Other Instruments by Owners.

(a) Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Owners may be in any number of concurrent writings of

similar tenor and may be signed or executed by such Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds (other than the assignment of ownership of a Bond) 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 acknowledgments 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 registration books of the City maintained by the Trustee pursuant to **Section 206**.

(b) In determining whether the Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Indenture, Bonds owned by JCMG PC shall be disregarded and deemed not to be Outstanding under this Indenture, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Trustee knows to be so owned shall be so disregarded; provided, the foregoing provisions shall not be applicable if JCMG Investment is the only Owner of the Bonds. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not JCMG Investment or any affiliate thereof.

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 Owners, 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, the Financing Parties, if any, and the Owners, 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 or JCMG PC if the same is duly mailed by registered or certified mail, postage prepaid, or 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 Jefferson, Missouri
320 East McCarty Street
Jefferson City, Missouri 65101
Attention: City Administrator

with a copy to:

City Counselor
City of Jefferson, Missouri
320 East McCarty Street
Jefferson City, Missouri 65101

(b) To the Trustee:

BOKF, N.A.
200 North Broadway, Suite 1710
St. Louis, Missouri 63102
ATTN: Corporate Trust Department

(c) To JCMG PC:

Jefferson City Medical Group
1241 W. Stadium Boulevard
Jefferson City, Missouri 65109
Attention: Chief Financial Officer

with a copy to:

Gibbs Pool and Turner, P.C.
3225 Emerald Lane, Suite A
Jefferson City, Missouri
Attention: Hallie. H. Gibbs

(d) To the Owners if the same is duly mailed by first-class, registered or certified mail addressed to each of the Owners of Bonds at the time Outstanding as shown by the bond registration books required by **Section 206** to be kept at the corporate trust office of the Trustee.

All notices given by certified or registered mail as aforesaid shall be deemed fully given as of the date they are so mailed, provided that any of the foregoing given to the Trustee shall be effective only upon receipt. All notices given by overnight delivery or other delivery service shall be deemed fully given as of the date when received. A duplicate copy of each notice, certificate or other communication given hereunder by either the City or the Trustee to the other shall also be given to JCMG PC. The City, JCMG PC and the Trustee may from time to time designate, by notice given hereunder to the others of such parties, such other addresses to which subsequent notices, certificates or other communications shall be sent.

Section 1404. Severability. If any provision of this Indenture is 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 whatsoever.

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. This Indenture shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 1407. Electronic Transaction. The parties agree that the transaction described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 1408. City Consent and Approvals. Pursuant to the Ordinance, the Mayor is authorized to execute all documents on behalf of the City (including documents pertaining to the transfer of property or the financing or refinancing of the Project Equipment by JCMG PC and such licenses, and similar documents as may be requested by JCMG PC) as may be required to carry out and comply with the intent of the Ordinance, this Indenture and the Lease. The Mayor is also authorized, unless expressly prohibited herein, to grant on behalf of the City such consents, estoppels and waivers relating to the Bonds, this Indenture, the Lease, or the Performance Agreement as may be requested during the term thereof; provided, such consents, estoppels and/or waivers shall not increase the principal amount of the Bonds, increase the term of the Lease or the tax exemption as provided for therein, waive an Event of Default or materially change the nature of the transaction unless approved by the City Council.

Section 1409. Anti-Discrimination Against Israel Act. Pursuant to Section 34.600 of the Revised Statutes of Missouri, the Trustee certifies it is not currently engaged in and shall not, for the duration of this Indenture, engage in a boycott of goods or services from (a) the State of Israel, (b) companies doing business in or with the State of Israel or authorized by, licensed by or organized under the laws of the State of Israel or (c) persons or entities doing business in the State of Israel.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the City of Jefferson, 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, the Trustee has caused this Indenture to be signed in its name and behalf by a duly authorized officer, all as of the date first above written.

CITY OF JEFFERSON, MISSOURI

By: _____
Name: Carrie Tergin
Title: Mayor

[SEAL]

ATTEST:

By: _____
Name: Emily Donaldson
Title: City Clerk

BOKF, N.A., as Trustee

By: _____
Name: _____
Title: _____

EXHIBIT A

PROJECT EQUIPMENT

All items of machinery, equipment or other personal property located at the Project Site, acquired on or before the Completion Date pursuant to **Article IV** of the Lease and paid for in whole from proceeds of the Bonds.

EXHIBIT B

FORM OF BONDS

THIS BOND OR ANY PORTION HEREOF MAY BE TRANSFERRED, ASSIGNED OR NEGOTIATED ONLY TO AN APPROVED INVESTOR AS DEFINED IN THE HEREIN DESCRIBED INDENTURE.

No. 1 **Not to Exceed $2,100,000**

UNITED STATES OF AMERICA
STATE OF MISSOURI

CITY OF JEFFERSON, MISSOURI
TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BOND
(JCMG – PERSONAL PROPERTY PROJECT)
SERIES 2022

Interest Rate	Maturity Date	Dated Date
5.00%	December 1, 2032	December [___], 2022

OWNER: **JEFFERSON CITY MEDICAL GROUP, P.C.**

MAXIMUM PRINCIPAL AMOUNT: **TWO MILLION ONE HUNDRED THOUSAND DOLLARS**

THE CITY OF JEFFERSON, MISSOURI, a home rule charter city organized and existing under the laws of the State of Missouri (the **"City"**), for value received, promises to pay, but solely from the source hereinafter referred to, to the Owner named above, or registered assigns thereof, on the Maturity Date shown above, the principal amount shown above, or such lesser amount as may be outstanding hereunder as reflected on **Schedule I** hereto held by the Trustee as provided in the hereinafter referred to Indenture. The City agrees to pay such principal amount to the 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, and in like manner to pay to the Owner hereof, either by check or draft mailed to the Owner at a stated address as it appears on the bond registration books of the City kept by the Trustee under the within mentioned Indenture or, in certain situations authorized in the Indenture, by internal bank transfer or by electronic transfer to an account at a commercial bank or savings institution located in the continental United States. Interest on the Cumulative Outstanding Principal Amount (as hereinafter defined) at the per annum Interest Rate stated above, payable in arrears on each December 1, commencing on December 1, 2023, and continuing thereafter until the earlier of the date on which said Cumulative Outstanding Principal Amount is paid in full or the Maturity Date. Interest on each advancement of the principal amount of this Bond shall accrue from the date that such advancement is made, computed on the basis of a year of 360 days consisting of 12 months of 30 days each.

As used herein, the term **"Cumulative Outstanding Principal Amount"** means all Bonds outstanding under the terms of the hereinafter defined Indenture, as reflected on **Schedule I** hereto maintained by the Trustee.

THIS BOND is one of a duly authorized series of Bonds of the City designated the "City of Jefferson, Missouri, Taxable Industrial Development Revenue Bonds (JCMG – Personal Property Project), Series 2022" (the **"Bonds"**), issued for the purpose of acquiring and installing certain personal property (the **"Project Equipment"**) at the 28,000 square foot stand-alone outpatient surgery center situated on approximately 6.85 acres of land located at 3520 West Edgewood Drive in Jefferson City, Missouri, which Project Equipment is to be leased to Jefferson City Medical Group, P.C., a Missouri professional corporation (**"JCMG PC"**) under the terms of a Personal Property Lease Agreement dated as of December 1, 2022 (said Personal Property Lease Agreement, as amended and supplemented from time to time in accordance with the provisions thereof, being herein called the **"Lease"**), between the City and JCMG PC, all pursuant to the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and statutes of the State of Missouri, including particularly the Act, and the City Charter and pursuant to proceedings duly had by the City Council.

THE BONDS are issued under and are equally and ratably secured and entitled to the protection given by a Personal Property Trust Indenture dated as of December 1, 2022 (said Personal Property Trust Indenture, as amended and supplemented from time to time in accordance with the provisions thereof, being herein called the **"Indenture"**), between the City and BOKF, N.A., St. Louis, Missouri, as trustee (the **"Trustee"**). *Capitalized terms not defined herein shall have the meanings set forth in 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 the Bonds, the rights, duties and obligations of the City, the Trustee and the Owners, and the terms upon which the Bonds are issued and secured.

THE BONDS are subject to redemption and payment at any time before the stated maturity thereof, at the option of the City, upon written instructions from JCMG PC, (1) in whole, if JCMG PC exercises its option to purchase the Project Equipment and deposits an amount sufficient to effect such purchase pursuant to the Lease on the applicable redemption date, or (2) in part, if JCMG PC prepays additional Basic Rent pursuant to the Lease; provided, however, if only a portion of the Bonds are to be redeemed, Bonds aggregating at least 10% of the maximum principal amount of Bonds authorized under the Indenture shall not be subject to redemption and payment before the stated maturity thereof. Any redemption of Bonds pursuant to this paragraph shall be at a redemption price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the redemption date.

THE BONDS are subject to mandatory redemption, in whole or in part, to the extent of amounts deposited in the Bond Fund pursuant to **Section 9.1(f)** or **9.2(c)** of the Lease, in the event of substantial damage to or destruction or condemnation of substantially all of the Project Equipment. Bonds to be redeemed pursuant to this paragraph shall be called for redemption by the Trustee on the earliest practicable date for which timely notice of redemption may be given as provided under the Indenture. Any redemption of Bonds pursuant to this paragraph shall be at a redemption price equal to the par value thereof being redeemed, plus accrued interest thereon, without premium or penalty, to the redemption date. Before giving notice of redemption to the Owners pursuant to this paragraph, money in an amount equal to the redemption price shall have been deposited in the Bond Fund.

If the Bonds are to be called for optional redemption, JCMG PC shall deliver written notice to the City and the Trustee that it has elected to redeem all or a portion of the Bonds at least 40 days (10 days if there is one Owner) before the scheduled redemption date. The Trustee shall then deliver written notice to the Owner of this Bond at least 30 days (five days if there is one Owner) before the scheduled redemption date by first-class mail (or facsimile, if there is one Owner) stating the date upon which the Bonds will be redeemed and paid.

THE BONDS, including interest thereon, are special obligations of the City and are payable solely out of the rents, revenues and receipts derived by the City from the Project Equipment and the Lease and not from any other fund or source of the City, and are secured by a pledge and assignment of the Project Equipment and 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. The Bonds do not constitute a general obligation of the City or the State of Missouri, and neither the City nor the State of Missouri shall be liable thereon, and the Bonds shall not constitute an indebtedness within the meaning of any constitutional, statutory or charter debt limitation or restriction and are 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 the Bonds are to be paid by JCMG PC directly to the Trustee for the account of the City and deposited in a special fund created by the City and designated the "City of Jefferson, Missouri, Bond Fund – JCMG Personal Property Project."

THE OWNER of this Bond shall have no right to enforce the provisions 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 all the Bonds 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, as provided in the Indenture, only upon the books of the City kept for that purpose at the above-mentioned office of the Trustee by the Owner hereof in person or by such Person's duly authorized attorney, upon surrender of this Bond together with a written instrument of transfer reasonably satisfactory to the Trustee duly executed by the Owner or such Person's duly authorized attorney, and thereupon a new fully-registered Bond or Bonds, in the same aggregate principal amount of this Bond, 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.

THE BONDS are issuable in the form of one fully-registered Bond in the maximum principal amount of $2,100,000.

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 has been executed by the Trustee.

IT IS HEREBY CERTIFIED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of 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, the City of Jefferson, 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.

CITY OF JEFFERSON, MISSOURI

By: _____
Mayor

ATTEST: (Seal)

_____
City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is the Taxable Industrial Development Revenue Bond (JCMG - Personal Property Project), Series 2022, described in the Indenture. The effective date of registration of this Bond is set forth below.

BOKF, N.A., as Trustee

_____
Date

By: _____
Authorized Signatory

SCHEDULE I

TABLE OF CUMULATIVE OUTSTANDING PRINCIPAL AMOUNT

CITY OF JEFFERSON, MISSOURI
TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BOND
(JCMG – PERSONAL PROPERTY PROJECT)
SERIES 2022

Bond No. 1

Date	Principal Amount Advanced	Principal Amount Redeemed	Cumulative Outstanding Principal Amount	Notation Made By

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 of the Registered Owner as it appears upon the face of the within Bond in every particular.

Medallion Signature Guarantee:

EXHIBIT C

FORM OF REPRESENTATION LETTER

City of Jefferson, Missouri
320 East McCarty Street
Jefferson City, Missouri 65101
Attention: City Administrator

BOKF, N.A.
200 North Broadway, Suite 1710
St. Louis, Missouri 63102
Attention: Corporate Trust Department

Re: $2,100,000 Maximum Principal Amount of Taxable Industrial Development Revenue Bonds (JCMG – Personal Property Project), Series 2022 of the City of Jefferson, Missouri

Ladies and Gentlemen:

In connection with the purchase of the above-referenced bonds (the **"Bonds"**), the undersigned purchaser of the Bonds hereby represents, warrants and agrees as follows:

1. The undersigned understands that (a) the Bonds have been issued under and pursuant to a Personal Property Trust Indenture dated as of December 1, 2022 (the **"Indenture"**), between the City of Jefferson, Missouri (the **"City"**), and BOKF, N.A., as trustee (the **"Trustee"**), (b) the Bonds are payable solely out of certain rents, revenues and receipts to be derived from the leasing or sale of the Project Equipment (as defined in the Indenture) to Jefferson City Medical Group, P.C., a Missouri professional corporation (**"JCMG PC"**) under a Personal Property Lease Agreement dated as of December 1, 2022 (the **"Lease"**), between the City and JCMG PC, with certain of such rents, revenues and receipts being 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.

2. The undersigned understands that (a) the Bonds and the interest thereon are special, limited obligations of the City payable solely out of the rents, revenues and receipts derived by the City from the Project Equipment and the Lease, and not from any other fund or source of the City, (b) the Bonds are secured by a pledge and assignment of the Trust Estate to the Trustee in favor of the Owners, as provided in the Indenture, (c) the Bonds and the interest thereon shall not constitute general obligations of the City, the State of Missouri (the **"State"**) or any political subdivision thereof, and neither the City, the State nor any political subdivision thereof shall be liable thereon, and (d) the Bonds do 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.

3. The undersigned understands that the Bonds are transferable only in the manner provided for in the Indenture and discussed below and warrants that it is acquiring the Bonds for its own account with the intent of holding the Bonds as an investment, and the acquisition of the Bonds is not made with a view toward their distribution or for the purpose of offering, selling or otherwise participating in a distribution of the Bonds.

4. The undersigned is an Approved Investor, as defined in the Indenture.

5. The undersigned agrees not to attempt to offer, sell, hypothecate or otherwise distribute the Bonds to others unless authorized by the terms of the Indenture and, if requested by the City, upon receipt of an opinion of counsel reasonably acceptable to the City, JCMG PC and the purchaser that all registration and disclosure requirements of the Securities and Exchange Commission and all other appropriate federal and State securities laws and the securities law of any other applicable state are complied with.

6. JCMG PC has (a) furnished to the undersigned such information about itself as the undersigned deems necessary in order for it to make an informed investment decision with respect to the purchase of the Bonds, (b) made available to the undersigned, during the course of this transaction, ample opportunity to ask questions of, and to receive answers from, appropriate officers of the City and the terms and conditions of the offering of the Bonds, and (c) provided to the undersigned all additional information which it has requested. [*Delete this paragraph if JCMG PC is the purchaser of the Bonds.*]

7. The undersigned is now, and was when it agreed to purchase the Bonds, familiar with the operations of JCMG PC and fully aware of terms and risks of the Bonds. [*Delete previous sentence if JCMG PC is the purchaser of the Bonds.*] The undersigned believes that the Bonds which it is acquiring is a security of the kind that it wishes to purchase and hold for investment and that the nature and amount thereof are consistent with its investment program.

8. The undersigned is fully aware of and satisfied with (a) the current status of the title to the Project Equipment and any issues related thereto and (b) the terms, amounts and providers of the insurance maintained pursuant to **Article VII** of the Lease, and the undersigned is purchasing the Bonds with full knowledge of such matters.

9. The undersigned understands and agrees that the interest on the Bonds *is* subject to federal and state income taxation.

10. The undersigned hereby directs the Trustee to hold the Bonds in trust pursuant to **Section 204(c)** of the Indenture.

Dated: _____, 20___

[PURCHASER OF BONDS]

By: _____
Name: _____
Title: _____

CITY OF JEFFERSON, MISSOURI,
As Lessor

AND

JCMG INVESTMENT, LLC,
As Lessee

_____

REAL PROPERTY LEASE AGREEMENT

Dated as of December 1, 2022

_____

Relating to:

$15,700,000
(Aggregate Maximum Principal Amount)
City of Jefferson, Missouri
Taxable Industrial Development Revenue Bonds
(JCMG – Real Property Project)
Series 2022

Certain rights of the City of Jefferson, Missouri (the "City"), in this Real Property Lease Agreement have been pledged and assigned to BOKF, N.A., St. Louis, Missouri, as Trustee under the Real Property Trust Indenture dated as of December 1, 2022, between the City and the Trustee.

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS

Section 1.1. Definitions of Words and Terms 2
Section 1.2. Rules of Interpretation 2
Section 1.3. Date of Lease 2

ARTICLE II

REPRESENTATIONS

Section 2.1. Representations by the City 3
Section 2.2. Representations by the JCMG Investment 4

ARTICLE III

GRANTING PROVISIONS

Section 3.1. Granting of Leasehold Estate 4
Section 3.2. Lease Term 4
Section 3.3. Possession and Use of the Real Property 4

ARTICLE IV

PURCHASE AND IMPROVEMENT OF THE REAL PROPERTY

Section 4.1. Issuance of the Bonds 5
Section 4.2. Purchase and Improvement of the Real Property 5
Section 4.3. Project Costs 6
Section 4.4. Payment for Project Costs 6
Section 4.5. Establishment of Completion Date 6
Section 4.6. Surplus in Project Fund 7
Section 4.7. Project Site and Project Improvement Property of the City 7
Section 4.8. Non-Project Improvements, Machinery and Equipment Property of JCMG Investment . 7
Section 4.9. Construction Contracts 7

ARTICLE V

RENT PROVISIONS

Section 5.1. Basic Rent 7
Section 5.2. Additional Rent 8
Section 5.3. Obligations of JCMG Investment Absolute and Unconditional 8
Section 5.4. Prepayment of Basic Rent 9

ARTICLE VI

MAINTENANCE, TAXES AND UTILITIES

Section 6.1. Maintenance and Repairs 9
Section 6.2. Taxes, Assessments and Other Governmental Charges 10
Section 6.3. Utilities 10
Section 6.4. Property Tax Exemption 10

ARTICLE VII

INSURANCE

Section 7.1. Title Commitment or Report 11
Section 7.2. Casualty Insurance 11
Section 7.3. Public Liability Insurance 12
Section 7.4. Blanket Insurance Policies 12
Section 7.5. Worker's Compensation 12
Section 7.6. Sovereign Immunity 12

ARTICLE VIII

ALTERATION OF THE REAL PROPERTY

Section 8.1. Additions, Modifications and Improvements to the Real Property 12
Section 8.2. Additional Improvements on the Project Site 13
Section 8.3. Permits and Authorizations 13
Section 8.4. Mechanics' Liens 14

ARTICLE IX

DAMAGE, DESTRUCTION AND CONDEMNATION

Section 9.1. Damage or Destruction 14
Section 9.2. Condemnation 16
Section 9.3. Bondowner Approval 17

ARTICLE X

SPECIAL COVENANTS

Section 10.1. No Warranty of Condition or Suitability by the City; Exculpation and Indemnification 17
Section 10.2. Surrender of Possession 17
Section 10.3. Right of Access to the Real Property 18
Section 10.4. Granting of Easements; Deed of Trust and Financing Arrangements 18
Section 10.5. Indemnification of City and Trustee 20
Section 10.6. Depreciation and Other Tax Benefits 21
Section 10.7. JCMG Investment to Maintain its Existence 21
Section 10.8. Security Interests 21
Section 10.9. Environmental Matters, Warranties, Covenants and Indemnities Regarding Environmental Matters 22

ARTICLE XI

OPTION AND OBLIGATION TO PURCHASE THE REAL PROPERTY

Section 11.1. Option to Purchase the Real Property 23
Section 11.2. Conveyance of the Real Property 24
Section 11.3. Relative Position of Option and Indenture 24
Section 11.4. Obligation to Purchase the Real Property 25
Section 11.5. Right of Set-Off 25

ARTICLE XII

DEFAULTS AND REMEDIES

Section 12.1. Events of Default 25
Section 12.2. Remedies on Default 26
Section 12.3. Survival of Obligations 26
Section 12.4. Performance of JCMG Investment's Obligations by the City 27
Section 12.5. Rights and Remedies Cumulative 27
Section 12.6. Waiver of Breach 27
Section 12.7. Trustee's Exercise of the City's Remedies 27

ARTICLE XIII

ASSIGNMENT AND SUBLEASE

Section 13.1. Assignment; Sublease 28
Section 13.2. Assignment of Revenues by City 28
Section 13.3. Prohibition Against Fee Mortgage of Real Property 28
Section 13.4. Restrictions on Sale or Encumbrance of Real Property by City 29

ARTICLE XIV

AMENDMENTS, CHANGES AND MODIFICATIONS

Section 14.1. Amendments, Changes and Modifications 29

ARTICLE XV

MISCELLANEOUS PROVISIONS

Section 15.1. Notices 29
Section 15.2. City Shall Not Unreasonably Withhold Consents and Approvals 30
Section 15.3. Net Lease 30
Section 15.4. Limitation on Liability of City 31
Section 15.5. Governing Law 31
Section 15.6. Binding Effect; JCMG PC as Third-Party Beneficiary 31
Section 15.7. Severability 31
Section 15.8. Execution in Counterparts 31
Section 15.9. Electronic Transaction 31
Section 15.10. City Consents and Approvals 31
Section 15.11. Anti-Discrimination Against Israel Act 31
Section 15.12. Performance by JCMG PC 31

Signatures and Seal S-1

Exhibit A – Project Site
Exhibit B – Form of Requisition Certificate

REAL PROPERTY LEASE AGREEMENT

THIS REAL PROPERTY LEASE AGREEMENT, dated as of December 1, 2022 (this **"Lease"**), between the **CITY OF JEFFERSON, MISSOURI**, a home rule charter city organized and existing under the laws of the State of Missouri (the **"City"**), as lessor, and **JCMG INVESTMENT, LLC**, a Missouri limited liability company (**"JCMG Investment"**), as lessee;

RECITALS:

1. The City is authorized and empowered pursuant to the provisions of Article VI, Section 27(b) of the Missouri Constitution, Sections 100.010 through 100.200, inclusive, of the Revised Statutes of Missouri (collectively, the **"Act"**) and the City Charter to purchase, construct, extend, improve and equip certain projects (as defined in the Act), to issue industrial revenue bonds for the purpose of providing funds to pay the costs of such projects and to lease or otherwise dispose of such projects to private persons or corporations for manufacturing, commercial, office industry, warehousing and industrial development purposes upon such terms and conditions as the City deems advisable.

2. Pursuant to the Act, the City Council of the City gave notice to the affected taxing jurisdictions in accordance with Section 100.059.1 of the Act regarding the City's intent to approve the issuance of two separate series of industrial development revenue bonds under the Act in order to finance the costs of a project for the benefit of Jefferson City Medical Group, P.C., a Missouri professional corporation (**"JCMG PC"**) consisting of (a) constructing an approximately 28,000 square foot stand-alone outpatient surgery center (the **"Project Improvements"**) on an approximately 6.85 acre site located at 3520 West Edgewood Drive in the City (as legally described on **Exhibit A**, the **"Project Site"**), which will be occupied by JCMG PC, and (b) acquiring and installing certain equipment and other personal property within the Project Improvements (the **"Project Equipment"**).

3. Following notice to the affected taxing jurisdictions in accordance with Section 100.059.1 of the Act, the City Council of the City adopted Ordinance No. [_____] on December 19, 2022 (the **"Ordinance"**), (a) approving a plan for the industrial development project, (b) authorizing the issuance of Taxable Industrial Development Revenue Bonds (JCMG – Real Property Project), Series 2022, in the maximum principal amount of $15,700,000 (the **"Bonds"**), for the purpose of acquiring the Project Site and constructing the Project Improvements located thereon (the Project Site and Project Improvements being collectively referred to herein as the **"Real Property"**), and (c) authorizing the issuance of Taxable Industrial Development Revenue Bonds (JCMG – Personal Property Project), Series 2022, in the maximum principal amount of $2,100,000, for the purpose of acquiring and installing the Project Equipment within the Project Improvements.

4. Pursuant to the Ordinance, the City is authorized to enter into a Real Property Trust Indenture of even date herewith (the **"Indenture"**) with BOKF, N.A., St. Louis, Missouri, as trustee (the **"Trustee"**), for the purpose of issuing and securing the Bonds, as therein provided, and to enter into this Lease with JCMG Investment, under which the City will acquire the Real Property and will lease the Real Property, as it may at any time exist, to JCMG Investment in consideration of rental payments by JCMG Investment that will be sufficient to pay the principal of and interest on the Bonds. JCMG Investment will sublease the Real Property to JCMG PC pursuant to a lease between JCMG Investment and JCMG PC (the **"Sublease"**).

5. In consideration of the terms and conditions of this Lease, the Real Property Lease, the Ordinance, the issuance of the Bonds and certain other agreements, the City, JCMG Investment and JCMG PC concurrently herewith entered into a Performance Agreement of even date herewith (the

"**Performance Agreement"**), pursuant to which JCMG Investment and JCMG PC have agreed to make certain payments in lieu of taxes.

6. Pursuant to the foregoing, the City desires to lease the Real Property to JCMG Investment and JCMG Investment desires to lease the Real Property 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, the receipt and sufficiency of which are hereby acknowledged, the City and JCMG Investment 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, capitalized words and terms used in this Lease shall have the meanings given to such words and terms in **Section 101** of the Indenture (which definitions are hereby incorporated by reference).

Section 1.2. Rules of 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 otherwise indicates, 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 in this Lease 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.

(d) All references in this instrument to designated "Articles," "Sections" and other subdivisions are, unless otherwise specified, to the designated Articles, Sections and other 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.

(f) Whenever an item or items are listed after the word "including," such listing is not intended to be a listing that excludes items not listed.

Section 1.3. Date of Lease. The dating of this Lease as of December 1, 2022, is intended as and for the convenient identification of this Lease only and is not intended to indicate that this Lease was

executed and delivered on said date, this Lease being executed and delivered and becoming effective simultaneously with the initial issuance of the Bonds.

ARTICLE II

REPRESENTATIONS

Section 2.1. Representations by the City. The City makes the following representations as the basis for the undertakings on its part herein contained:

(a) The City is a home rule charter city duly organized and validly existing under the laws of the State of Missouri. Under the provisions of the Act, the City has lawful power and authority to enter into the transactions contemplated by this Lease and to carry out its 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 its duly authorized officers.

(b) As of the date of delivery hereof, the City agrees to acquire title to the Project Site from JCMG Investment, subject to Permitted Encumbrances, and complete or cause to be completed the Project Improvements on the Project Site. The City agrees to lease the Real Property to JCMG Investment and to sell the Real Property to JCMG Investment if JCMG Investment exercises its option to purchase the Real Property or upon termination of this Lease, all for the purpose of furthering the public purposes of the Act.

(c) To the City's knowledge, no member of the City Council or any other officer of the City has any significant or conflicting interest, financial, employment or otherwise, in JCMG Investment or in the transactions contemplated hereby.

(d) To finance Project Costs, the City proposes to issue the Bonds which will be scheduled to mature as set forth in **Article II** of the Indenture and will be subject to redemption prior to maturity in accordance with the provisions of **Article III** of the Indenture.

(e) The Bonds are to be issued under and secured by the Indenture, pursuant to which the Real Property and the net earnings therefrom, consisting of all rents, revenues and receipts to be derived by the City from the leasing or sale of the Real Property, will be pledged and assigned to the Trustee as security for payment of the principal of and interest on the Bonds and amounts owing pursuant to the Lease.

(f) The City will not knowingly take any affirmative action that would permit a lien to be placed on the Real Property or pledge the revenues derived therefrom for any bonds or other obligations, other than the Bonds, except with the written consent of the Authorized JCMG Investment Representative; provided, however, the City's execution of this Lease, the Indenture and the Performance Agreement shall not be deemed to violate this **Section 2.1(f)**.

(g) The City will not operate the Real Property as a business or in any other manner except as the lessor thereof; provided, subsequent to an Event of Default hereunder (following the expiration of any notice and/or cure period) in accordance with the provisions dealing with the exercise of remedies set forth herein and subject to all rights and powers of the Trustee as set forth herein and in the Indenture.

Section 2.2. Representations by JCMG Investment. JCMG Investment makes the following representations as the basis for the undertakings on its part herein contained:

(a) JCMG Investment is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Missouri.

(b) JCMG Investment has lawful power and authority to enter into this Lease and to carry out its obligations hereunder, and JCMG Investment has been duly authorized to execute and deliver this Lease, acting by and through its 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 JCMG Investment will not, to the best of JCMG Investment's knowledge, conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any mortgage, deed of trust, lease or any other restriction or any agreement or instrument to which JCMG Investment is a party or by which it or any of its property is bound, or JCMG Investment's organizational documents, or any order, rule or regulation applicable to JCMG Investment or any of its 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 JCMG Investment under the terms of any instrument or agreement to which JCMG Investment is a party.

(d) To JCMG Investment's knowledge, the Real Property, upon completion of the Project Improvements in accordance with the Plans and Specifications, will comply in all material respects with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Real Property, including all building and zoning, health, environmental and safety orders and laws, subject to all rights of JCMG Investment to contest the same.

ARTICLE III

GRANTING PROVISIONS

Section 3.1. Granting of Leasehold Estate. The City hereby exclusively rents, leases and lets the Real Property to JCMG Investment, and JCMG Investment hereby rents, leases and hires the Real Property from the City, subject to Permitted Encumbrances existing as of the date of the execution and delivery hereof, for the rentals and upon and subject to the terms and conditions herein contained.

Section 3.2. Lease Term. This Lease shall become effective upon its execution and delivery. Subject to earlier termination pursuant to the provisions of this Lease, the lease of the Real Property shall terminate on December 31, 2032.

Section 3.3. Possession and Use of the Real Property.

(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** following the occurrence and continuance of an Event of Default, as defined in **Section 12.1**, JCMG Investment shall have sole and exclusive possession of the Real Property (subject to Permitted Encumbrances and the City's and the Trustee's right of access pursuant to **Section 10.3**) and shall peaceably and quietly have, hold and enjoy the Real Property during the Lease Term. The City covenants and agrees that it will not take any action, other than expressly

pursuant to **Article XII**, the Indenture, and the Performance Agreement, to prevent JCMG Investment or JCMG PC from having quiet and peaceable possession and enjoyment of the Real Property during the Lease Term and will, at the request and expense of JCMG Investment, cooperate with JCMG Investment and JCMG PC to defend JCMG Investment's and JCMG PC's quiet and peaceable possession and enjoyment of the Real Property.

(b) Subject to the provisions of this Section, JCMG Investment, or JCMG PC under the Sublease, shall have the exclusive right to use the Real Property for any lawful purpose contemplated by the Act and consistent with the terms of the Performance Agreement. JCMG Investment shall comply in all material respects with all statutes, laws, ordinances, orders, judgments, decrees, regulations, directions and requirements of all federal, state, local and other governments or governmental authorities, now or hereafter applicable to the Real Property, as to the manner of use or the condition of the Real Property, or that otherwise may be applicable by virtue of the City's ownership of the Real Property. JCMG Investment shall also comply with the mandatory requirements, rules and regulations of all insurers under the policies carried under the provisions of **Article VII**. JCMG Investment shall pay all costs, expenses, claims, fines, penalties and damages that may in any manner arise out of, or be imposed as a result of, the failure of JCMG Investment to comply with the provisions of this Section. Notwithstanding any provision contained in this Section, however, JCMG Investment may, at its own cost and expense, 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 JCMG Investment may refrain from complying therewith.

ARTICLE IV

PURCHASE AND IMPROVEMENT OF THE REAL PROPERTY

Section 4.1. Issuance of the Bonds. To provide funds for the payment of Project Costs, the City agrees that, upon request of JCMG Investment, it will issue, sell and cause to be delivered the Bonds to the purchaser thereof in accordance with the provisions of the Indenture and the Bond Purchase Agreement. The proceeds of the sale of the Bonds, when received, shall be paid over to the Trustee for the account of the City. The Trustee shall promptly deposit such proceeds, when received, as provided in the Indenture to be used and applied as provided in this Lease and in the Indenture. Alternatively, the Trustee shall (pursuant to **Section 208(d)** of the Indenture) endorse the Bonds in an amount equal to the requisition certificates submitted pursuant to **Section 4.4**. In that event, so long as the sole Owner of the Bonds is the lessee under this Lease, the purchaser of the Bonds shall be deemed to have deposited funds with the Trustee in an amount equal to the amounts stated in the requisition certificates.

Section 4.2. Purchase and Improvement of the Real Property. The City and JCMG Investment agree that JCMG Investment, as the agent of the City, shall, but solely from the Project Fund (or from funds deemed to be deposited into the Project Fund upon JCMG Investment's delivery of a requisition certificate as permitted by **Section 208(e)** of the Indenture), purchase the Project Site and construct the Project Improvements on the Project Site as follows:

(a) The City will acquire the Real Property at the execution hereof. Concurrently with the execution of this Lease, (1) a deed and any other necessary instruments of transfer will be delivered to the City and placed of record, and (2) the commitment for title insurance or

ownership and encumbrance report required by **Article VII** will be delivered by JCMG Investment to the City.

(b) On behalf of the City, JCMG Investment will complete or cause the completion of the Project Improvements on the Project Site and otherwise improve the Project Site in accordance with the Plans and Specifications.

(c) JCMG Investment will comply, or cause JCMG PC to comply, with the provisions of Section 107.170 of the Revised Statutes of Missouri to the extent applicable to the improvement of the Real Property.

(d) JCMG Investment or JCMG PC has caused or will cause the construction of the Project Improvements on the Project Site to be completed on or before the Completion Date.

Section 4.3. Project Costs. The City hereby agrees to pay for, but solely from the Project Fund (or from funds deemed to be deposited into the Project Fund upon JCMG Investment's delivery of a requisition certificate as permitted by **Section 208(e)** of the Indenture), and hereby authorizes and directs the Trustee to pay for, but solely from the Project Fund (or from funds deemed to be deposited into the Project Fund upon JCMG Investment's delivery of a requisition certificate as permitted by **Section 208(e)** of the Indenture), all Project Costs upon receipt by the Trustee of requisition certificates pursuant to **Section 4.4** hereof. JCMG Investment may not submit any requisition certificates for Project Costs incurred after the Completion Date. JCMG Investment must submit all requisition certificates for Project Costs incurred before the Completion Date within three months of the Completion Date. The maximum amount of Project Costs for which requisition certificates may be submitted is $15,700,000.

Section 4.4. Payment for Project Costs.

(a) The City hereby authorizes and directs the Trustee to make disbursements from the Project Fund and endorse the Bonds, if the Trustee is holding the Bonds, upon receipt by the Trustee of certificates in substantially the form attached as **Exhibit B**, signed by an Authorized JCMG Investment Representative and approved by an Authorized City Representative. The City acknowledges that the information contained in each certificate will be provided by either JCMG Investment or JCMG PC. The information in each certificate shall be accurate in all material respects to the best of JCMG Investment's knowledge when given, and JCMG Investment will notify the City if JCMG Investment (or JCMG PC) becomes aware of any material inaccuracies in a certificate after the date on which it is given; provided that JCMG Investment shall have no obligation to make any independent inspection or investigation as to the accuracy of any such certificate.

(b) The Trustee may rely conclusively on any such certificate and shall not be required to make any independent inspection or investigation in connection therewith. The approval of any requisition certificate by an Authorized JCMG Investment Representative and 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 of shall be evidenced to the City and the Trustee by a certificate signed by an Authorized JCMG Investment Representative or the Authorized JCMG PC Representative stating (a) that the construction of the Project improvements have been substantially completed in accordance with the Plans and Specifications, (b) the date of substantial completion thereof, and (c) that all costs and expenses of the construction of the Project Improvements have been paid except costs and expenses the payment of which is not yet due or is

being contested in good faith by JCMG Investment and/or JCMG PC. Notwithstanding the foregoing, such certificate shall be deemed given on December 31, 2022 if not actually filed with the City by December 31, 2022. JCMG Investment and the City agree to cooperate in causing such certificate to be furnished to the Trustee.

Section 4.6. Surplus in Project Fund. Upon receipt of the certificate described in **Section 4.5**, the Trustee shall, as provided in **Section 504** of the Indenture, transfer any remaining moneys then in the Project Fund to the Bond Fund to be applied as directed by JCMG Investment solely to (a) 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, or (b) at the option of JCMG Investment, to the purchase of Bonds at such earlier date or dates as JCMG Investment may elect. Any amount so deposited in the Bond Fund may be invested as permitted by **Section 702** of the Indenture.

Section 4.7. Project Site and Project Improvement Property of the City. The Project Site and the Project Improvements located thereon at the execution hereof, all work and materials on the Real Property as such work progresses and all additions or enlargements thereto or thereof, the Real Property as fully improved, anything under this Lease which becomes, is deemed to be, or constitutes a part of the Real Property, and the Real Property as repaired, rebuilt, rearranged, restored or replaced by JCMG Investment and/or JCMG PC under the provisions of this Lease, except as otherwise specifically provided herein, shall immediately when erected or installed become the absolute property of the City, subject only to this Lease, the Sublease, the Indenture, Permitted Encumbrances and any Financing Document.

Section 4.8. Non-Project Improvements, Machinery and Equipment Property of JCMG Investment. Any improvements or items of machinery or equipment located on the Project Site which do not constitute part of the Project Improvements and the entire purchase price of which is paid for by JCMG Investment or JCMG PC with JCMG Investment's or JCMG PC's own funds, and no part of the purchase price of which is paid for from funds deposited pursuant to the terms of this Lease in the Project Fund, shall be the property of JCMG Investment or JCMG PC and shall not constitute a part of the Real Property for purposes of **Section 6.4** hereof and therefore, shall be subject to taxation, to the extent otherwise provided by law.

Section 4.9. Construction Contracts. JCMG Investment or JCMG PC may enter into one or more construction contracts to complete the Project Improvements. All construction contracts entered into by or on behalf of JCMG Investment shall state that the contractor has no recourse against the City or the Trustee in connection with the contractor's work on the Project Improvements.

ARTICLE V

RENT PROVISIONS

Section 5.1. Basic Rent. JCMG Investment covenants and agrees to pay or cause to be paid to the Trustee in same day funds for the account of the City during the Lease Term, on or before 11:00 a.m., Trustee's local time, on each Payment Date, as Basic Rent for the Real Property, an amount which, when added to any collected funds then on deposit in the Bond Fund and available for the payment of principal of 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 and the interest thereon as provided in the Indenture. Except as offset pursuant to the right of JCMG Investment set forth below, all payments of Basic Rent provided for in this Section 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, the Bond Purchase Agreement or the Performance Agreement to the contrary, and provided that JCMG Investment is the sole holder of the Bonds, JCMG Investment may set-off the then-current Basic Rent payment against the City's obligation to JCMG Investment as bondholder under the Indenture in lieu of delivery of the Basic Rent on any Payment Date, without providing notice of such set-off to the Trustee. The Trustee may conclusively rely on the absence of any notice from JCMG Investment to the contrary as evidence that such set-off has occurred and that pursuant to the set-off, the City is deemed to have paid its obligation to JCMG Investment as bondholder to pay principal of and interest on the Bonds under the Indenture. On the final Payment Date, JCMG Investment will (a) if the Trustee holds the Bonds, notify the Trustee of the Bonds not previously paid that are to be canceled or (b) if an entity other than the Trustee holds the Bonds, deliver or cause to be delivered to the Trustee for cancellation Bonds not previously paid. JCMG Investment shall receive a credit against the Basic Rent payable by JCMG Investment in an amount equal to the principal amount of the Bonds so tendered for cancellation plus accrued interest thereon.

Section 5.2. Additional Rent. JCMG Investment shall pay or cause to be paid as Additional Rent, within 30 days after receiving an itemized invoice therefor, the following amounts:

(a) all fees, charges and expenses, including agent and attorneys' fees and expenses, of the City, the Trustee and the Paying Agent incurred under or arising from this Lease, the Indenture or the Performance Agreement, including but not limited to claims by contractors or subcontractors, as and when the same becomes due;

(b) all costs incident to the issuance of the Bonds (which are to be paid on the Closing Date) and the payment of the principal of and interest on the Bonds as the same becomes due and payable, including all costs and expenses in connection with the call, redemption and payment of all Outstanding Bonds;

(c) all fees, charges and expenses incurred in connection with the enforcement of any rights under this Lease, the Indenture or the Performance Agreement by the City, the Trustee or the Owners, including attorneys' fees and expenses; and

(d) all other payments of whatever nature that JCMG Investment has agreed in writing to pay or assume under the provisions of this Lease, the Indenture or the Performance Agreement.

Section 5.3. Obligations of JCMG Investment Absolute and Unconditional.

(a) The obligations of JCMG Investment under this Lease to make payments of Basic Rent and Additional Rent on or before the date the same becomes due, and to perform all of its other obligations, covenants and agreements hereunder shall be absolute and unconditional, without notice or demand, and without abatement, deduction, set-off (except as provided in **Section 5.1**), counterclaim, recoupment or defense or any right of termination or cancellation arising from any circumstance whatsoever, whether now existing or hereafter arising, and irrespective of whether the Real Property has been purchased or improved, or whether the City's title thereto or to any part thereof is defective or nonexistent, and notwithstanding any damage to, loss, theft or destruction of, the Real Property or any part 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 Real Property, legal curtailment

of JCMG Investment's use thereof, the eviction or constructive eviction of JCMG Investment, 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; provided, however, that nothing in this Section is intended or shall be deemed to affect or impair in any way the rights of JCMG Investment to tender Bonds for redemption in satisfaction of Basic Rent as provided in **Section 5.1** and **Section 5.4**, nor the right of JCMG Investment to terminate this Lease and purchase the Real Property as provided in **Article XI**.

(b) Nothing in this Lease shall be construed to release the City from the performance of any agreement on its part herein contained or as a waiver by JCMG Investment of any rights or claims JCMG Investment 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 JCMG Investment shall be unconditionally and absolutely obligated to perform fully all of its obligations, agreements and covenants under this Lease (including the obligation to pay Basic Rent and Additional Rent) for the benefit of the Owners and the City. JCMG Investment may, however, at its own cost and expense and in its 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 JCMG Investment deems reasonably necessary in order to secure or protect its right of possession, occupancy and use hereunder, and in such event the City hereby agrees, at JCMG Investment's expense, to cooperate fully with JCMG Investment and to take all action necessary to effect the substitution of JCMG Investment for the City in any such action or proceeding if JCMG Investment shall so request.

Section 5.4. Prepayment of Basic Rent.

(a) JCMG Investment may at any time and from time to time prepay all or any part of the Basic Rent provided for hereunder (subject to the limitations of **Section 301(a)** of the Indenture relating to the partial redemption of the Bonds). 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 the Bonds then remaining unpaid, JCMG Investment shall not be obligated to make payments of Basic Rent under the provisions of this Lease.

(b) At its option, JCMG Investment may deliver to the Trustee for cancellation Bonds owned by JCMG Investment and not previously paid, and JCMG Investment shall receive a credit against amounts payable by JCMG Investment for the redemption of Bonds in an amount equal to the principal amount of the Bonds so tendered for cancellation, plus accrued interest thereon.

ARTICLE VI

MAINTENANCE, TAXES AND UTILITIES

Section 6.1. Maintenance and Repairs. Throughout the Lease Term JCMG Investment shall, at its own expense, keep, or cause JCMG PC to keep, the Real Property in reasonably safe operating condition and keep, or cause JCMG PC to keep, the Real Property in good repair, reasonable wear, tear, depreciation and obsolescence excepted, making from time to time all repairs thereto and renewals and replacements thereof it determines to be necessary.

Section 6.2. Taxes, Assessments and Other Governmental Charges.

(a) Subject to subsection **(b)** of this Section, JCMG Investment shall promptly pay and discharge, or cause to be paid and discharged, as the same becomes 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 Real Property, or any part thereof or interest therein (including the leasehold estate of JCMG Investment therein) or any buildings, improvements, machinery and equipment at any time installed thereon by JCMG Investment on behalf of the City, or the income therefrom, 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 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 Real Property; provided that with respect to any special assessments or other governmental charges that are lawfully levied and assessed which may be paid in installments, JCMG Investment shall be obligated to pay only such installments thereof as become due and payable during the Lease Term.

(b) JCMG Investment, or JCMG PC, may, in its own name or in the City's name, contest the validity or amount of any tax, assessment or other governmental charge which JCMG Investment is required to bear, pay and discharge pursuant to the terms of this Article by appropriate legal proceedings instituted at least 10 days before the tax, assessment or other governmental charge complained of becomes delinquent if and provided (1) JCMG Investment, or JCMG PC, before instituting any such contest, gives the City written notice of its intention to do so, (2) JCMG Investment, or JCMG PC, diligently prosecutes any such contest, at all times effectively stays or prevents any official or judicial sale therefor, under execution or otherwise, and (3) JCMG Investment or JCMG PC promptly pays any final judgment enforcing the tax, assessment or other governmental charge so contested and thereafter promptly procures record release or satisfaction thereof. The City agrees to cooperate fully with JCMG Investment and/or JCMG PC in connection with any and all administrative or judicial proceedings related to any tax, assessment or other governmental charge. JCMG Investment shall save and hold harmless the City from any costs and expenses the City may incur related to any of the above.

(c) Nothing in this Lease shall be construed to require JCMG Investment to make duplicate tax payments. JCMG Investment shall receive a credit against the PILOT Payments to be made by JCMG Investment under the Performance Agreement to the extent of any ad valorem taxes imposed with respect to the Real Property paid pursuant to this Section, except as otherwise provided in the Performance Agreement.

Section 6.3. Utilities. All utilities and utility services used by JCMG Investment or JCMG PC in, on or about the Project Site shall be paid by JCMG Investment or JCMG PC, as applicable, and shall be contracted by JCMG Investment in JCMG Investment's own name, or JCMG PC in JCMG PC's own name, as applicable, and JCMG Investment shall, at its sole cost and expense, or shall cause JCMG PC at its sole cost and expense to, procure any and all permits, licenses or authorizations necessary in connection therewith.

Section 6.4. Property Tax Exemption. The City and JCMG Investment expect that while the Real Property is owned by the City and is subject to this Lease, the Real Property will be exempt from all ad valorem property taxes by reason of such ownership, and the City agrees that it will (at the expense of JCMG Investment) cooperate with JCMG Investment to defend such exemption against all parties. The

City and JCMG Investment further acknowledge and agree that the City's obligations hereunder are contingent upon JCMG Investment making the payments and otherwise complying with the terms of the Performance Agreement relating to the Real Property during the term of this Lease. The terms and conditions of the Performance Agreement relating to the Real Property are incorporated herein as if fully set forth herein.

ARTICLE VII

INSURANCE

Section 7.1. Title Commitment or Report. Before conveying title to the Real Property to the City, JCMG Investment will purchase, or will cause JCMG PC to purchase, from a title insurance company reasonably acceptable to the City, a commitment for title insurance or provide such other report in a form reasonably acceptable to the City showing the ownership of and encumbrances on the Real Property. A copy of such policy or report shall be provided to the City.

Section 7.2. Casualty Insurance.

(a) JCMG Investment shall at its sole cost and expense, or shall cause JCMG PC at its sole cost and expense to, obtain and maintain throughout the Lease Term a policy or policies of insurance to keep the Real Property constantly insured against loss or damage by fire, lightning and all other risks covered by the extended coverage insurance endorsement then in use in the State of Missouri in an amount equal to the Full Insurable Value thereof (subject to reasonable loss deductible provisions). The insurance required pursuant to this Section shall be maintained 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 not less than "B+" or the equivalent thereof as may be selected by JCMG Investment. JCMG Investment shall deliver certificates of insurance for such policies to the City and the Trustee on the date of execution of this Lease and promptly after renewal of each insurance policy. All such policies of insurance pursuant to this Section, and all renewals thereof, shall name JCMG Investment, the City and the Trustee as insureds, as their respective interests may appear, shall name the Trustee as loss payee and, to the extent such agreement is reasonably commercially available from the insurer, shall contain an agreement by the insurer that, notwithstanding any right of cancellation reserved to such insurer, such policy or contract shall continue in force for at least 10 days after written notice of cancellation to the City, JCMG Investment, the Trustee and each other insured or loss payee named therein. The Trustee's sole duty with respect to JCMG Investment's compliance with the insurance requirements hereunder shall be to receive certificates of insurance pursuant to this Section and to hold the same solely as repository for the benefit of the Owners. The Trustee makes no representation as to, and shall have no responsibility for, the sufficiency or adequacy of the insurance.

(b) In the event of loss or damage to the Real Property, the Net Proceeds of casualty insurance carried pursuant to this Section shall be, subject to the rights of any Financing Party under any Financing Document, and unless otherwise provided by law, (1) paid over to the Trustee and applied as provided in **Article IX**, or (2) applied as directed in writing by, or on behalf of, the Owners of 100% in principal amount of the Bonds Outstanding.

Section 7.3. Public Liability Insurance.

(a) JCMG Investment shall at its sole cost and expense maintain or cause to be maintained, or shall cause JCMG PC at its sole cost and expense to maintain or cause to be maintained, at all times during the Lease Term commercial general liability insurance (including but not limited to coverage for operations, contingent liability, operations of subcontractors, completed operations and contractual liability), under which the City and the Trustee shall be named as additional insureds, properly protecting and indemnifying the City and the Trustee, in an amount not less than the limits of liability set by Section 537.610 of the Revised Statutes of Missouri (subject to reasonable loss deductible clauses not to exceed the amounts normally or generally carried by JCMG Investment or JCMG PC). The policies of said insurance shall, to the extent such agreement is reasonably commercially available from the insurer, contain an agreement by the insurer that, notwithstanding any right of cancellation reserved to such insurer, such policy or contract shall continue in force for at least 10 days after written notice of cancellation to JCMG Investment, the City, the Trustee and each other insured or loss payee named therein. Certificates of such policies shall be furnished to the City and the Trustee on the date of execution of this Lease and promptly after renewal of each insurance policy. The Trustee's sole duty with respect to JCMG Investment's compliance with the insurance requirements hereunder shall be to receive certificates of insurance pursuant to this Section and to hold the same solely as repository for the benefit of the Owners. The Trustee makes no representation as to, and shall have no responsibility for, the sufficiency or adequacy of the insurance.

(b) In the event of a general liability occurrence, the Net Proceeds of liability insurance carried pursuant to this Section shall be applied toward the extinguishment or satisfaction of the liability with respect to which such proceeds have been paid.

Section 7.4. Blanket Insurance Policies. JCMG Investment may satisfy any of the insurance requirements set forth in this Article by using blanket policies of insurance, provided each and all of the requirements and specifications of this Article respecting insurance are complied with.

Section 7.5. Worker's Compensation. JCMG Investment agrees throughout the Lease Term to maintain or cause to be maintained the worker's compensation coverage required by the laws of the State of Missouri.

Section 7.6. Sovereign Immunity. Notwithstanding anything to the contrary contained herein, nothing in this Lease shall be construed to broaden the liability of the City beyond the provisions of Sections 537.600 to 537.610 of the Revised Statutes of Missouri or abolish or waive any defense at law that might otherwise be available to the City or its officers, agents and employees.

ARTICLE VIII

ALTERATION OF THE REAL PROPERTY

Section 8.1. Additions, Modifications and Improvements to the Real Property.

(a) JCMG Investment may make, or cause or allow JCMG PC to make, such additions, modifications and improvements to any part of the Real Property as JCMG Investment (or JCMG PC) from time to time may deem necessary or desirable for its business purposes. All additions, modifications and improvements made by JCMG Investment or JCMG PC pursuant to this Section shall (1) be made in a good and workmanlike manner and in strict compliance with all laws, orders and ordinances applicable

thereto and (2) when commenced, be prosecuted to completion with due diligence. Any such additions, modifications and improvements shall be subject to ad valorem taxes, or if for any reason the City determines that such additions, modifications and improvements are not subject to ad valorem taxes, JCMG Investment shall make or cause to be made payments in lieu of taxes in an amount equal to the taxes that would otherwise be due on such additions, modifications and improvements, unless otherwise agreed to by the City.

(b) Following the Completion Date, JCMG Investment shall notify, or cause JCMG PC to notify, the City in writing of any improvements to the Real Property that in the aggregate are reasonably expected to exceed $1,000,000 during any calendar year. If such improvements constitute personal property, such improvements shall remain the property of JCMG Investment or JCMG PC, as applicable, shall not become part of the Real Property and shall be subject to ad valorem taxes.

Section 8.2. Additional Improvements on the Project Site. Subject to **Section 8.1**, JCMG Investment may, at no expense to the City, construct on portions of the Project Site not theretofore occupied by buildings or improvements such additional buildings and improvements as JCMG Investment from time to time may deem necessary or desirable for its business purposes. All additional buildings and improvements constructed on the Project Site, and not paid for with Bond proceeds, pursuant to the authority of this Section shall not be included in the Real Property and, during the life of this Lease, shall remain the property of JCMG Investment and JCMG Investment may, as between JCMG Investment and the City but without affecting any rights of JCMG PC under the Sublease, add to, alter or raze and remove the same at any time. All additional buildings and improvements shall (a) be made in a good and workmanlike manner and in strict compliance with all laws, orders and ordinances applicable thereto and (b) when commenced, be prosecuted to completion with due diligence. JCMG Investment covenants and agrees (1) to make or cause to be made any repairs and restorations required to be made to the Real Property because of the construction of, addition to, alteration or removal of said additional buildings or improvements, and (2) to promptly and with due diligence either raze and remove or repair, replace or restore, or cause to be razed and removed or repaired, replaced or restored, any of said additional buildings and improvements as may from time to time be damaged by fire or other casualty. JCMG Investment shall pay or cause to be paid all ad valorem taxes and assessments payable with respect to such additional buildings and improvements which remain the property of JCMG Investment. If for any reason the City determines that such additional buildings and improvements are not subject to ad valorem taxes, JCMG Investment shall make or cause to be made payments in lieu of taxes in an amount equal to the taxes that would otherwise be due on such additional buildings and improvements, unless otherwise agreed to by the City.

Section 8.3. Permits and Authorizations. JCMG Investment shall not do or permit others under its control to do any work on the Real Property related to any repair, rebuilding, restoration, replacement, modification or addition to the Real Property, 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. The City shall cooperate with JCMG Investment and/or JCMG Investment to obtain, amend or maintain any existing or future municipal or other governmental permit or authorization for the Real Property which requires the City's signature, certification or consent as the owner of any part of the Real Property, including executing any required applications, certifications or reports. All such work shall be done in a good and workmanlike manner and in strict compliance with all applicable material building and zoning laws and governmental regulations and requirements, and in accordance with the requirements, rules and regulations of all insurers under the policies required to be carried under the provisions of **Article VII**.

Section 8.4. Mechanics' Liens.

(a) JCMG Investment will not directly or indirectly create, incur, assume or suffer to exist any lien on or with respect to the Real Property, except Permitted Encumbrances, and JCMG Investment shall promptly notify the City of the imposition of any such lien of which JCMG Investment is aware and shall promptly, at no expense to the City, take such action or cause such action to be taken as may be necessary to fully discharge or release any such lien. Whenever and as often as any mechanics' or other similar lien is filed against the Real 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 relating to the Real Property, JCMG Investment shall discharge or cause to be discharged the same of record. Notice is hereby given that the City shall not be liable for any labor, services or materials furnished to JCMG Investment or anyone claiming by, through or under JCMG Investment 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 Real Property or any part thereof.

(b) Notwithstanding paragraph (a) above, and subject to the terms of any Financing Document executed by JCMG Investment in favor and for the benefit of any Financing Party, JCMG Investment may contest or cause to be contested any such mechanics' or other similar lien if JCMG Investment (1) within 60 days after JCMG Investment becomes aware of any such lien notifies the City and the Trustee in writing of its intention so to do, (2) diligently prosecutes such contest, (3) at all times effectively stays or prevents any official or judicial sale of the Real Property, or any part thereof or interest therein, under execution or otherwise, (4) promptly pays or otherwise satisfies any final judgment adjudging or enforcing such contested lien claim and (5) thereafter promptly procures record release or satisfaction thereof. JCMG Investment may permit the lien so contested to remain unpaid during the period of such contest and any appeal therefrom unless JCMG Investment is notified by the City that, in the opinion of counsel, by nonpayment of any such items, the interest of the City in the Real Property will be subject to loss or forfeiture. In that event, JCMG Investment shall promptly, at no expense to the City, take such action or cause such action to be taken as may be reasonably necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim if the same shall arise at any time. JCMG Investment shall defend, save and hold harmless the City from any loss, costs or expenses the City may incur related to any such contest. JCMG Investment shall reimburse the City for any expense incurred by it in connection with the imposition of any such lien or the discharge or removal of any such mortgage, pledge, lien, charge, encumbrance or claim. The City shall cooperate fully with JCMG Investment and JCMG PC in any such contest.

ARTICLE IX

DAMAGE, DESTRUCTION AND CONDEMNATION

Section 9.1. Damage or Destruction.

(a) If the Real Property is damaged or destroyed by fire or any other casualty, whether or not covered by insurance, JCMG Investment, as promptly as practicable, shall either (1) make the determination described in subsection (f) below, or (2) repair, restore, replace or rebuild the same so that upon completion of such repairs, restoration, replacement or rebuilding the Real Property is of a value not less than the value thereof immediately before the occurrence of such damage or destruction, or (3) at JCMG Investment's option, construct upon the Project Site new buildings and improvements, together

with all new 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 of the Real Property shall not be less than the value thereof immediately before the occurrence of such damage or destruction and (B) the nature of such new buildings, improvements, and fixtures will not impair the character of the Real Property as an enterprise permitted by the Act.

If JCMG Investment elects to construct any new buildings and improvements, for all purposes of this Lease, any reference to the words "Real Property" shall be deemed to also include any such new buildings and improvements and all additions thereto and all replacements and alterations thereof.

Unless JCMG Investment makes the determination described in subsection **(f)** below, the Net Proceeds of casualty insurance required by **Article VII** received with respect to such damage or loss to the Real Property shall be used to pay the cost of repairing, restoring, replacing or rebuilding the Real Property or any part thereof. Insurance monies in an amount less than $1,000,000 may be paid to or retained by JCMG Investment to be held in trust and used as provided herein. Insurance monies in any amount of $1,000,000 or more shall be (i) paid to the Trustee and deposited in the Project Fund and disbursed as provided in **Section 4.4** to pay the cost of repairing, restoring, replacing or rebuilding the Real Property or any part thereof, or (ii) applied as directed in writing by, or on behalf of, the Owners of 100% in principal amount of the Bonds Outstanding, subject to the rights of any Financing Party. If JCMG Investment makes the determination described in subsection **(f)** below, the Net Proceeds shall be deposited with the Trustee and used to redeem Bonds as provided in subsection **(f)**.

(b) If any of the insurance monies paid by the insurance company as hereinabove provided remain after the completion of such repairs, restoration, replacement or rebuilding, and this Lease has not been terminated, the excess shall be deposited in the Bond Fund, subject to the rights of any Financing Party, except as otherwise provided by law. Completion of such repairs, restoration, replacement or rebuilding shall be evidenced by a certificate of completion delivered by JCMG Investment to the City in accordance with the provisions of **Section 4.5**. If the Net Proceeds are insufficient to pay the entire cost of such repairs, restoration, replacement or rebuilding, JCMG Investment shall pay or cause to be paid 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 JCMG Investment shall remain and continue to be liable for the payment of all Basic Rent and Additional Rent and all other charges required hereunder to be paid by JCMG Investment, as though no damage by fire or any other casualty has occurred.

(d) The City and JCMG Investment 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 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) JCMG Investment agrees to give prompt written notice to the City, any Financing Party and the Trustee with respect to all fires and other casualties occurring in, on, at or about the Project Site causing (in JCMG Investment's opinion) damage of more than $1,000,000.

(f) If JCMG Investment determines that repairing, restoring, replacing or rebuilding the Real Property is not practicable or desirable, or if JCMG Investment does not have the right under any Financing Document to use any Net Proceeds for repair or restoration of the Real Property, any Net

Proceeds of casualty insurance required by **Article VII** 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 and used to redeem Bonds on the earliest practicable redemption date or to pay the principal of any Bonds as the same becomes due, all subject to the rights of any Financing Party under the Financing Documents (if any). JCMG Investment agrees to be reasonable in exercising its judgment pursuant to this subsection (f). Alternatively, if JCMG Investment is the sole owner of the Bonds and it has determined that repairing, restoring, replacing or rebuilding the Real Property is not practicable or desirable, it may tender Bonds to the Trustee for cancellation in a principal amount equal to the Net Proceeds of the casualty insurance and retain such proceeds for its own account.

(g) JCMG Investment shall not, by reason of its inability to use all or any part of the Real Property during any period in which the Real Property is damaged or destroyed or is being repaired, restored, replaced or rebuilt, nor by reason of the payment of the costs of such repairing, restoring, replacing or rebuilding, be entitled to any reimbursement from the City, the Trustee or the Owners or to any abatement or diminution of the rentals payable by JCMG Investment under this Lease or of any other obligations of JCMG Investment under this Lease except as expressly provided in this Section.

(h) The rights of the City and the Trustee in and to any Net Proceeds are and will at all times be subject to the rights of any Financing Party.

(i) Nothing herein shall be deemed to authorize JCMG Investment to allow an unsafe, dangerous, unhealthy or injurious condition to exist on the Project Site or any portion thereof, in violation of any applicable laws, codes and ordinances due to a fire or other casualty.

Section 9.2. Condemnation.

(a) If during the Lease Term, title to, or the temporary use of, all or any part of the Real Property is 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 $1,000,000, JCMG Investment shall, within 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, JCMG PC and any Financing Party under any Financing Document (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 JCMG Investment determines that such substitution is practicable and desirable, JCMG Investment shall proceed promptly with and complete with reasonable dispatch the acquisition or construction of such substitute improvements, including the acquisition or construction of other improvements suitable for JCMG Investment's or JCMG PC's operations at the Project Site, so as to place the Real Property in substantially the same condition as existed before the exercise of the power of eminent domain (which improvements will be deemed a part of the Real Property and available for use and occupancy by JCMG Investment or JCMG PC without the payment of any rent other than herein provided, to the same extent as if such improvements were specifically described herein and demised hereby); provided, that such equipment will be acquired by the City subject to no liens, security interests or encumbrances before the lien and/or security interest afforded by the Indenture and this Lease other than Permitted Encumbrances. In such case, any Net Proceeds received from any award or awards with respect to the Real Property 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** (with respect to the receipt of casualty insurance proceeds).

(c) If JCMG Investment determines that it is not practicable or desirable to acquire or construct substitute improvements, any Net Proceeds of condemnation awards received by JCMG Investment shall, after payment of all Additional Rent then due and payable, be paid into the Bond Fund and shall be used to redeem Bonds on the earliest practicable redemption date or to pay the principal of any Bonds as the same becomes due and payable, all subject to the rights of any Financing Party under the Financing Documents (if any) and JCMG PC under the Sublease.

(d) JCMG Investment shall not, by reason of its inability to use all or any part of the Real Property during any such period of acquisition or restoration nor by reason of the payment of the costs of such acquisition or restoration, be entitled to any reimbursement from the City, the Trustee or the Owners or to any abatement or diminution of the rentals payable by JCMG Investment under this Lease or of any other obligations hereunder except as expressly provided in this Section.

(e) The City shall cooperate fully with JCMG Investment in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Real Property or any part thereof, and shall, to the extent it may lawfully do so, permit JCMG Investment to litigate in any such proceedings in the name and on behalf of the City. In no event will the City voluntarily settle or consent to the settlement of any prospective or pending condemnation proceedings with respect to the Real Property or any part thereof without the prior written consent of JCMG Investment, JCMG PC or any Financing Party.

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 before the application thereof by the City or the Trustee be applied as directed in writing by the Owners or pledgees of 100% of the principal amount of Bonds Outstanding, subject and subordinate to (a) the rights of the City and the Trustee to be paid all their expenses (including attorneys' fees, trustee's fees and any extraordinary expenses of the City and the Trustee) incurred in the collection of such gross proceeds and (b) the rights of the City to any amounts then due and payable under the Performance Agreement. For purposes of this paragraph, the Financing Parties, if any, shall be deemed a pledgee of the Bonds.

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 Real Property or that it will be suitable for JCMG Investment's purposes or needs. JCMG Investment releases the City and the Trustee from, agrees that the City and the Trustee shall not be liable for and agrees to hold the City and the Trustee harmless against, 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 Real Property or JCMG Investment's use thereof, unless such loss is the result of the City's or the Trustee's (or their respective employees, consultants and agents') negligence or willful misconduct. This provision shall survive termination of this Lease.

Section 10.2. Surrender of Possession. Upon accrual of the City's right of re-entry to the extent provided in **Section 12.2(a)(2)**, JCMG Investment shall peacefully surrender possession of the Real Property to the City in good condition and repair; provided, however, JCMG Investment may within

90 days (or such later date as the City may agree to) after the termination of this Lease remove from the Project Site any buildings, improvements, furniture, trade fixtures, machinery and equipment owned by JCMG Investment or JCMG PC and not constituting part of the Real Property. All repairs to and restorations of the Real Property required to be made because of such removal shall be made by and at the sole cost and expense of JCMG Investment, and during said 90-day (or extended) period JCMG Investment shall bear the sole responsibility for and bear the sole risk of loss for said buildings, improvements, furniture, trade fixtures, machinery and equipment owned by JCMG Investment or JCMG PC and not constituting part of the Real Property. All buildings, improvements, furniture, trade fixtures, machinery and equipment owned by JCMG Investment or JCMG PC and which are not so removed from the Project Site before the expiration of said period shall be the separate and absolute property of the City. Notwithstanding the foregoing, if all obligations due and owing under the Indenture (or such obligations have been canceled), this Lease and JCMG Investment's obligations under the Performance Agreement have been paid or otherwise met, the City shall convey the Real Property in accordance with **Section 11.2**.

Section 10.3. Right of Access to the Real Property. The City may conduct such periodic inspections of the Real Property as may be generally provided in the City's municipal code. In addition, JCMG Investment agrees, subject to JCMG PC's rights under the Sublease, that the City and the Trustee and their duly authorized agents may, at reasonable times during normal business hours and, except in the event of emergencies, upon not less than two Business Days' prior notice, subject to JCMG Investment's and JCMG PC's usual business, proprietary, safety, confidentiality and security requirements, enter upon the Project Site (a) to examine and inspect the Real Property without interference or prejudice to JCMG Investment's and JCMG PC's operations, (b) to monitor the improvement of the Real Property provided for in **Section 4.2** as may be reasonably necessary, (c) to examine all files, records, books and other materials in JCMG Investment's possession pertaining to the acquisition, improvement or maintenance of the Real Property, or (d) upon either (1) the occurrence and continuance of an Event of Default or (2) JCMG Investment's failure to purchase the Real Property at the end of the Lease Term, to exhibit the Real Property to prospective purchasers, lessees or trustees.

Section 10.4. Granting of Easements; Financing Arrangements.

(a) Subject to **Sections 10.4(b)** and **(c)**, if no Event of Default under this Lease has happened and is continuing, the City agrees that it will execute and deliver and will cause and direct the Trustee in writing to execute and deliver any instrument necessary or appropriate to confirm and grant, release or terminate any sublease, easement, license, right-of-way or other right or privilege, or any such agreement or other arrangement, upon receipt by the City and the Trustee of: (1) a copy of the instrument of grant, release or termination or of the agreement or other arrangement, (2) a written application signed by an Authorized JCMG Investment Representative requesting such instrument, and (3) a certificate executed by an Authorized JCMG Investment Representative stating that such grant, release or termination is not detrimental to the proper conduct of the business of JCMG Investment, will not impair the effective use or interfere with the efficient and economical operation of the Real Property, will not materially adversely affect the security intended to be given by or under the Indenture and will be a Permitted Encumbrance, and that JCMG Investment will defend, indemnify and save and hold harmless the City from and against all claims, demands, costs, liabilities, damages or expenses, including attorneys' fees, arising from the execution and delivery of any instrument, agreement or other arrangement pursuant to this Section. If no Event of Default has happened and is continuing beyond any applicable grace period, any payments or other consideration received by JCMG Investment for any such grant or with respect to or under any such agreement or other arrangement shall be and remain the property of JCMG Investment; but, subject to **Sections 10.4(b)** and **(c)**, upon (A) termination of this Lease for any reason other than the redemption of the Bonds and/or the purchase of the Real Property by JCMG Investment or (B) the occurrence and continuance of an Event of Default by JCMG Investment, all rights then existing of JCMG Investment

with respect to or under such grant, agreement or other arrangement shall inure to the benefit of and be exercisable by the City and the Trustee.

(b) The City acknowledges and agrees that JCMG Investment may finance and refinance its rights and interests in the Real Property, this Lease and the leasehold estate created hereby and, in connection therewith, JCMG Investment may execute Financing Documents with one or more Financing Parties. Notwithstanding anything contained to the contrary in this Lease, JCMG Investment may, at any time and from time to time, with prior notice to but without the consent of the City, (1) execute one or more Financing Documents upon the terms contained in this **Section 10.4** and (2) sublease or assign this Lease, the leasehold estate or any sublease and rights in connection therewith, and/or grant liens or security interests therein, to any Financing Party. Any further sublease or assignment by any Financing Party shall be subject to the provisions of **Section 13.1**.

(c) Upon notice by JCMG Investment to the City in writing that JCMG Investment has executed one or more Financing Documents under which it has granted rights in this Lease to a Financing Party, which includes the name and address of such Financing Party, then the following provisions shall apply in respect of each such Financing Party and any Financing Party existing as of the date of the execution and delivery hereof:

(1) there shall be no merger of this Lease or of the leasehold estate created hereby with fee title to the Real Property, notwithstanding that this Lease or said leasehold estate and said fee title shall be owned by the same Person or Persons, without the prior written consent of each such Financing Party;

(2) the City shall serve upon each such Financing Party (at the address, if any, provided to the City) a copy of each notice of the occurrence of an Event of Default and each notice of termination given to JCMG Investment under this Lease, at the same time as such notice is served upon JCMG Investment. No such notice to JCMG Investment shall be effective unless a copy thereof is thus served upon each Financing Party;

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

(4) the City may exercise any of its rights or remedies with respect to any other Event of Default by JCMG Investment, subject to the rights of the Financing Parties under this **Section 10.4(c)** as to such other Events of Default;

(5) upon the occurrence and continuance of an Event of Default by JCMG Investment under this Lease, 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 and permitting each such Financing Party (or its 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 this Lease to effect said cure so long as the Financing Party (or its designee, nominee, assignee or transferee) is diligently prosecuting such cure); provided that the Financing Party (or its designee, nominee, assignee or transferee) shall pay or cause to be paid to the City and the Trustee all expenses,

including reasonable attorneys' fees, court costs and disbursements incurred by the City or the Trustee in connection with any such default;

(6) each such Financing Party (and its designees, nominees, assignees or transferees) may enter the Project Site and possess and use the Real Property at such reasonable times and manner as are necessary or desirable to effectuate the remedies and enforce its respective rights under its respective Financing Documents;

(7) this Lease may not be modified, amended, canceled or surrendered by agreement between the City and JCMG Investment, without prior written consent of each such Financing Party; and

(8) upon the occurrence and continuance of an Event of Default, each such Financing Party may, on behalf of JCMG Investment and without the consent of JCMG Investment, but only having first caused the redemption of the Bonds, exercise on behalf of JCMG Investment the right to purchase the Real Property pursuant to **Section 11.1**, upon compliance with the provisions of that Section. JCMG Investment agrees that the City will have no liability for taking direction from any Financing Party in connection with a conveyance of the Real Property back to JCMG Investment pursuant to **Article XI**.

(d) In connection with the execution of one or more Financing Documents and upon the request of JCMG Investment, the City agrees to execute such documents as shall be reasonably requested by a Financing Party and which are usual and customary in connection with the closing of the financing or refinancing pursuant to the Financing Documents. JCMG Investment agrees to reimburse the City for any and all costs and expenses incurred by the City pursuant to this Section, including reasonable attorneys' fees and expenses, in complying with such request.

(e) JCMG Investment's obligations under any Financing Document relating to the Real Property entered into after the date of execution of this Lease shall be subordinate to JCMG Investment's obligations under this Lease.

Section 10.5. Indemnification of City and Trustee. JCMG Investment shall defend, indemnify and save and hold harmless the City and the Trustee and their governing body members, officers, agents and employees from and against all claims, demands, costs, liabilities, damages or expenses, including attorneys' fees, by or on behalf of any Person, firm or corporation arising from the issuance of the Bonds and the execution of the Performance Agreement, this Lease (or any instrument requested by JCMG Investment pursuant to **Section 10.4**) or the Indenture and from the conduct or management of, or from any work or thing done on the Real Property 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 Real Property, (b) any breach or default on the part of JCMG Investment in the performance of any of its obligations under the Performance Agreement, this Lease, or any related document, (c) any contract entered into in connection with the construction of the Project Improvements (including mechanics' liens), (d) any act of negligence of JCMG Investment or of any of its agents, contractors, servants, employees or licensees, (e) unless JCMG Investment has been released from liability pursuant to **Section 13.1(c)**, any act of negligence of any assignee or sublessee of JCMG Investment, or of any agents, contractors, servants, employees or licensees of any assignee or sublessee of JCMG Investment, (f) obtaining any applicable state and local sales and use tax exemptions for materials or goods that become part of the Real Property, and (g) any violation of Section 107.170 of the Revised Statutes of Missouri; provided, however, the indemnification contained in this **Section 10.5** shall not extend to the City or the Trustee to the extent that such claims, demands, costs, liabilities,

damages or expenses, including attorneys' fees, are the result of work being performed on the Real Property by employees of the City, and shall not extend to the City or the Trustee, as applicable, to the extent such claims, demands, costs, liabilities, damages or expenses, including attorneys' fees, are the result of willful misconduct by the City or the Trustee, respectively. Upon obtaining actual knowledge of the event giving rise to the indemnification contained in this **Section 10.5**, the City or the Trustee shall provide prompt written notice of any such claim or demand to JCMG Investment; provided that failure to give such notice shall not affect the rights of the City or the Trustee to receive such indemnity. JCMG Investment shall defend them or either of them in any such action or proceeding; provided, the City shall cooperate with JCMG Investment and provide reasonable assistance in such defense. All costs related to the defense of the City or the Trustee shall be paid by JCMG Investment. This **Section 10.5** shall survive any termination of the Performance Agreement and this Lease or the satisfaction and discharge of the Indenture.

Section 10.6. Depreciation and Other Tax Benefits. This Lease is intended to convey to JCMG Investment all of the benefits and burdens of ownership and to cause JCMG Investment to be treated as the owner of the Real Property for federal income tax purposes. The Trustee, JCMG Investment and the City agree to treat this Lease in a manner consistent with such treatment. JCMG Investment alone shall be entitled to all of the federal income tax attributes of ownership of the Real Property, including without limitation the right to claim depreciation, amortization deductions, investment tax credits or any other tax benefits. The City agrees that any depreciation, amortization deductions, investment tax credits or any other tax benefits with respect to the Real Property or any part thereof shall be made available to JCMG Investment, and the City will fully cooperate with JCMG Investment in any effort by JCMG Investment to avail itself of any such depreciation, amortization deductions, investment tax credits or other tax benefits.

Section 10.7. JCMG Investment to Maintain its Existence. JCMG Investment agrees that until the Bonds are paid or payment is provided for in accordance with the terms of the Indenture, it will maintain its existence, and will not dissolve or otherwise dispose of all or substantially all of its assets; provided, however, that JCMG Investment may, without violating the agreement contained in this Section, consolidate with or merge into another Person or permit one or more other Persons to consolidate with or merge into it, or may sell or otherwise transfer to another Person all or substantially all of its assets as an entirety and thereafter dissolve or convert into a different type of legal entity, if the surviving, resulting or transferee Person (a) expressly assumes in writing all of the obligations of JCMG Investment contained in this Lease and (1) has a long-term debt rating or is controlled by or under common control with an entity with a long-term debt rating in any of the top three long-term debt rating categories of a nationally-recognized rating service or (2) is controlled by, under common control with or controls JCMG Investment, or (b) is otherwise approved by the City Council. This Section does not limit JCMG Investment's transfer rights under **Section 13.1**.

Section 10.8. Security Interests. The City and JCMG Investment hereby authorize the Trustee to file all appropriate financing and continuation statements as may be required under the Uniform Commercial Code in order to fully preserve and protect the security of the Owners and the rights of the Trustee under the Indenture. Upon the written instructions of the Owners or pledgees of 100% of the Bonds then-Outstanding, the Trustee shall file all continuation instruments the Owners deem necessary to be filed and shall continue or cause to be continued such instruments for so long as the Bonds are Outstanding. The City and JCMG Investment shall cooperate with the Trustee in this regard by providing such information as the Trustee may require to file or renew such statements.

Section 10.9. Environmental Matters, Warranties, Covenants and Indemnities Regarding Environmental Matters.

(a) As used in this Section, the following terms have the following meanings:

"Environmental Laws" means any now-existing or hereafter enacted or promulgated federal, state, local or other law, statute, ordinance, order, rule, regulation or court order pertaining to (1) environmental protection, regulation, contamination or clean-up, (2) toxic waste, (3) underground storage tanks, (4) asbestos or asbestos-containing materials, or (5) the handling, treatment, storage, use or disposal of Hazardous Substances, including without limitation the Comprehensive Environmental Response, Compensation and Liability Act and the Resource Conservation and Recovery Act, all as amended from time to time.

"Hazardous Substances" means all (1) "hazardous substances" (as defined in 42 U.S.C. §9601(14)), (2) "chemicals" subject to regulation under Title III of the Superfund Amendments and Reauthorization Act of 1986, as amended from time to time, (3) natural gas liquids, liquefied natural gas or synthetic gas, (4) any petroleum, petroleum-based products or crude oil, or (5) any other hazardous or toxic substances, wastes or materials, pollutants, contaminants or any other substances or materials which are included under or regulated by any Environmental Law.

(b) JCMG Investment warrants and represents to the City and the Trustee that, during the term of this Lease, it will not introduce any conditions on the Real Property that violate any applicable Environmental Laws.

(c) JCMG Investment will provide the City and the Trustee with copies of any notifications of releases of Hazardous Substances or of any environmental hazards or potential hazards in violation of Environmental Laws which are given by or on behalf of JCMG Investment to any federal, state or local or other agencies or authorities or which are received by JCMG Investment from any federal, state or local or other agencies or authorities with respect to the Real Property. Such copies shall be sent to the City and the Trustee concurrently with their being mailed or delivered to the governmental agencies or authorities or within 10 days after they are made or received by JCMG Investment. JCMG Investment will provide to the City for review only, any environmental assessments (**"Assessments"**) and reports regarding the correction or remediation of material environmental issues required by Environmental Laws to be addressed in the Assessments (**"Reports"**) concerning the Real Property; upon completion of the City's review of the Assessments and Reports, the City shall immediately return to JCMG Investment all originals and copies of the Assessments and Reports.

(d) JCMG Investment will provide the City and the Trustee with copies of all emergency and hazardous chemical inventory forms (hereinafter **"Environmental Notices"**) concerning Hazardous Substances on the Real Property it sends to any federal, state or local governmental authority or agency as required pursuant to the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C.A. §11001 *et seq*., or any other applicable Environmental Laws. Such copies of Environmental Notices shall be sent to the City and the Trustee concurrently with their being mailed to any such governmental authority or agency.

(e) JCMG Investment will comply with and operate and at all times use, keep and maintain the Real Property and every part thereof (whether or not such property constitutes a facility, as defined in 42 U.S.C. § 9601 *et. seq*.) in conformance with all applicable Environmental Laws. Without limiting the generality of the foregoing, JCMG Investment will not use, generate, treat, store, dispose of or otherwise introduce any Hazardous Substance into or on the Real Property or any part thereof nor cause, suffer, allow or permit anyone else to do so except in compliance with all applicable Environmental Laws.

(f) JCMG Investment agrees to defend, indemnify, protect and hold harmless the City and the Trustee and their directors, officers, shareholders, officials or employees from and against any and all claims, demands, costs, liabilities, damages or expenses, including reasonable attorneys' fees, arising from (1) any release (as defined in 42 U.S.C. § 9601 (22)), actual or alleged, of any Hazardous Substances, upon the Real Property or respecting any products or materials now or hereafter located upon the Real Property, regardless of whether such release or alleged release has occurred before the date hereof or hereafter occurs and regardless of whether such release or alleged release occurs as a result of any act, omission, negligence or misconduct of JCMG Investment or any third party or otherwise, (2) (A) any violation now existing or hereafter arising (actual or alleged) of, or any other liability under or in connection with, any applicable Environmental Laws relating to or affecting the Real Property, or (B) any violation now existing or hereafter arising of, or any other liability under or in connection with, any applicable Environmental Laws relating to any products or materials previously, now or hereafter located upon the Real Property, regardless of whether such violation or alleged violation or other liability is asserted or has occurred or arisen before 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 JCMG Investment or any third party or otherwise, (3) 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 Real Property, or (4) any material breach, falsity or failure of any of the representations, warranties, covenants and agreements contained in this Section. The City shall cooperate with JCMG Investment in the defense of any matters included within the foregoing indemnity without any obligation to expend money. This **Section 10.9(f)** shall survive any termination of this Lease.

ARTICLE XI

OPTION AND OBLIGATION TO PURCHASE THE REAL PROPERTY

Section 11.1. Option to Purchase the Real Property. JCMG Investment shall have, and is hereby granted, the option to purchase all or any portion of the Real Property at any time, upon payment in full or redemption of the Outstanding Bonds to be redeemed or provision for their payment or redemption having been made pursuant to **Article XIII** of the Indenture. To exercise such option, JCMG Investment shall (a) give written notice to the City and to the Trustee, and shall specify therein the date of closing of such purchase, which date shall be not less than 15 nor more than 90 days from the date such notice is mailed, (b) provide evidence of payment of all real property taxes with respect to the Real Property, and (c) in case of a redemption of the Bonds in accordance with the provisions of the Indenture, JCMG Investment shall make arrangements satisfactory to the Trustee for the giving of the required notice of redemption. Notwithstanding the foregoing, if the City or the Trustee provides notice of its intent to exercise its remedies hereunder upon an Event of Default (a **"Remedies Notice"**), JCMG Investment shall be deemed to have exercised its purchase option under this Section on the 29th day following the issuance of the Remedies Notice without any further action by JCMG Investment; provided said Remedies Notice has not been rescinded by such date (such option to take place on the 29th day following the issuance of the Remedies Notice). JCMG Investment may rescind such exercise by providing written notice to the City and the Trustee on or before the 29th day and by taking such action as may be required to cure the default that led to the giving of the Remedies Notice. The purchase price payable by JCMG Investment in the event of its exercise of the option granted in this Section shall be the sum of the following:

(1) an amount of money which, when added to the amount then on deposit in the Bond Fund, will be sufficient to redeem all or a portion of the then-Outstanding Bonds on the earliest redemption date next succeeding the closing date, including, without limitation, principal and interest to accrue to said redemption date and redemption expense, or JCMG Investment, as sole Owner of the Bonds, can tender the Outstanding principal amount of the Bonds for cancellation with instructions that such tender is in lieu of payment of the amount sufficient to redeem the then-Outstanding Bonds as provided in **Section 11.5**; plus

(2) an amount of money equal to the Trustee's and the Paying Agent's agreed to and reasonable fees, charges and expenses under the Indenture accrued and to accrue until such redemption of the Bonds; plus

(3) an amount of money equal to the City's reasonable charges and expenses incurred in connection with JCMG Investment exercising its option to purchase all or a portion of the Real Property; plus

(4) an amount of money equal to all payments due and payable pursuant to the Performance Agreement through the end of the calendar year in which the date of purchase occurs; plus

(5) the sum of $10.00.

Section 11.2. Conveyance of the Real Property. At the closing of the purchase of the Real Property pursuant to this Article, the City will upon receipt of the purchase price deliver to JCMG Investment the following:

(a) a release from the Trustee of the Real Property from the lien and/or security interest of the Indenture and this Lease and appropriate termination of financing statements as required under the Uniform Commercial Code; and

(b) documents, including without limitation a special warranty deed as to the Real Property, conveying to JCMG Investment, or the direction of JCMG investment another Person, legal title to the Real Property, as it then exists, in recordable form, subject to the following: (1) those liens and encumbrances, if any, to which title to the Real Property was subject when conveyed to the City; (2) those liens and encumbrances created by JCMG Investment or to the creation or suffering of which JCMG Investment consented; (3) those liens and encumbrances resulting from the failure of JCMG Investment to perform or observe any of the agreements on its part contained in this Lease; (4) Permitted Encumbrances other than the Indenture and this Lease; and (5) if the Real Property or any part thereof is being condemned, the rights and title of any condemning authority.

Section 11.3. Relative Position of Option and Indenture. The option to purchase the Real Property granted to JCMG Investment in this Article shall be and remain prior and superior to the Indenture and may be exercised whether or not JCMG Investment is in default under this Lease, provided that such option will not result in nonfulfillment of any condition to the exercise of any such option (including the payment of all amounts specified in **Section 11.1**) and further provided that the option herein granted shall terminate upon the termination of this Lease.

Section 11.4. Obligation to Purchase the Real Property. JCMG Investment hereby agrees to purchase, and the City hereby agrees to sell, the Real Property upon the occurrence of (a) the expiration of the Lease Term following full payment of the Bonds or provision for payment thereof having been made in accordance with the provisions of the Indenture, (b) payment of the sum of the items set forth in **Sections 11.1(1)-(5)**, (c) payment of all real property taxes due with respect to the Real Property, and (d) the final payment obligation of JCMG Investment due and payable under the Performance Agreement. The amount of the purchase price under this Section shall be an amount sufficient to redeem all of the then-Outstanding Bonds, plus all payments due and payable by JCMG Investment pursuant to the Performance Agreement through the end of the calendar year in which the date of purchase occurs, plus accrued interest and the reasonable fees and expenses of the City and the Trustee.

Section 11.5. Right of Set-Off. At its option, to be exercised at least five days before the date of closing of any purchase under this **Article XI**, JCMG Investment may deliver to the Trustee for cancellation Bonds not previously paid, and JCMG Investment shall receive a credit against the purchase price payable by JCMG Investment in an amount equal to 100% of the principal amount of the Bonds so delivered for cancellation, plus the accrued interest thereon. JCMG Investment may set-off any payment obligation under this **Article XI** by tendering a corresponding amount of the Bonds to the Trustee for cancellation.

ARTICLE XII

DEFAULTS AND REMEDIES

Section 12.1. Events of Default. If any one or more of the following events occurs and is 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 within 10 days after written notice thereof from the City to JCMG Investment and any Financing Party; or

(b) default in the due observance or performance of any other covenant, agreement, obligation or provision of this Lease on JCMG Investment's part to be observed or performed, and such default continues for 60 days after the City or the Trustee has given JCMG Investment and any Financing Party written notice specifying such default (or such longer period as is reasonably required to cure such default, provided that (1) JCMG Investment or any Financing Party, as applicable, has commenced such cure within said 60-day period, and (2) JCMG Investment or any Financing Party, as applicable, diligently prosecutes such cure to completion); or

(c) JCMG Investment: (1) admits in writing its inability to pay its debts as they become due; or (2) files 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 files a pleading asking for such relief; or (3) makes an assignment for the benefit of creditors; or (4) consents to the appointment of a trustee, receiver or liquidator for all or a substantial portion of its property or fails to have the appointment of any trustee, receiver or liquidator made without JCMG Investment's consent or acquiescence, vacated or set aside; or (5) is finally adjudicated as bankrupt or insolvent under any federal or state law; or (6) is subject to any proceeding, or suffers 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 substantial portion of its property or ordering the winding-up or liquidation of its affairs, or approving a petition filed against it under the United States Bankruptcy Code, as now or in the future amended, which order or proceeding, if not consented to by it, is not dismissed, vacated, denied, set aside or stayed within 90 days after the day of entry or commencement; or (7) suffers a writ or warrant of attachment or any similar process to be issued by any court against all or any substantial portion of its property, and such writ or warrant of attachment or any similar process is not contested, stayed or released within 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) an Event of Default on the part of JCMG Investment under the Performance Agreement, as defined in **Section 6.1** thereof.

The Trustee shall give each Financing Party notice of the occurrence of any Event of Default of which the Trustee has notice pursuant to the terms of the Indenture. Any Financing Party may, at its election, but shall have no obligation to, cure such Event of Default.

Section 12.2. Remedies on Default.

(a) If any Event of Default referred to in **Section 12.1** has occurred and continues beyond the period provided to cure, then the City may at the City's election (subject, however, to any restrictions against acceleration of the maturity of the Bonds or termination of this Lease in the Indenture), then or at any time thereafter, and while such default continues, take any one or more of the following actions, in addition to the remedies provided in **Section 12.5**:

(1) cause all amounts payable with respect to the Bonds for the remainder of the term of this Lease to become due and payable, as provided in the Indenture; or

(2) give JCMG Investment written notice of intention to terminate this Lease on a date specified therein, which date shall not be earlier than 60 days after such notice is given, and if all defaults have not then been cured, on the date so specified, the Owners shall tender or be deemed to have tendered the Outstanding principal amount of the Bonds for cancellation with instruction that such tender is in lieu of payment in accordance with **Section 11.5**, JCMG Investment's rights to possession of the Real Property shall cease and this Lease shall thereupon be terminated, and the City may re-enter and take possession of the Real Property, or the City may convey the Real Property to JCMG Investment and bring an action against JCMG Investment for the purchase price of the Real Property under **Section 11.1**; provided, however, if JCMG Investment has paid all obligations due and owing under the Indenture, this Lease, and the Performance Agreement, the City shall convey the Real Property in accordance with **Section 11.2**. JCMG Investment's rights to cause the conveyance of the Real Property in accordance with **Section 11.2** shall survive the expiration or termination of this Lease.

(b) If the City defaults on any of its obligations under this Lease, JCMG Investment's sole remedy for such default shall be to sue for specific performance of this Lease.

Section 12.3. Survival of Obligations. JCMG Investment covenants and agrees with the City and the Owners that its obligations under this Lease shall survive the cancellation and termination of this Lease, for any cause, and that JCMG Investment shall continue to pay the Basic Rent and Additional Rent (to the extent the Bonds remain Outstanding) and perform all other obligations provided for in this Lease, all at the time or times provided in this Lease; provided, however, that upon (a) the payment of all Basic

Rent and Additional Rent required under **Article V**, (b) the satisfaction and discharge of the Indenture under **Section 1301** thereof, and (c) JCMG Investment's exercise of the purchase option contained in **Article XI**, JCMG Investment's obligations under this Lease shall thereupon cease and terminate in full, except that the indemnification contained in **Article X** and the obligations with respect to compensation of the City and the Trustee shall not so terminate.

Section 12.4. Performance of JCMG Investment's Obligations by the City. Upon an Event of Default, the City, or the Trustee in the City's name, may (but shall not be obligated so to do) upon the continuance of such failure on JCMG Investment's part for 60 days after written notice of such failure is given to JCMG Investment by the City or the Trustee, and without waiving or releasing JCMG Investment from any obligation hereunder, as an additional but not exclusive remedy, make any such payment or perform any such obligation, and all reasonable sums so paid by the City or the Trustee and all necessary incidental reasonable costs and expenses incurred by the City or the Trustee (including, without limitation, attorneys' fees and expenses) in performing such obligation shall be deemed Additional Rent and shall be paid to the City or the Trustee on demand, and if not so paid by JCMG Investment, the City or the Trustee shall have the same rights and remedies provided for in **Section 12.2** in the case of default by JCMG Investment in the payment of Basic Rent.

Section 12.5. Rights and Remedies Cumulative. The rights and remedies reserved by the City and JCMG Investment hereunder are in addition to those otherwise provided by law and 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 JCMG Investment 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 the availability of an adequate remedy at law, and each party hereby waives the right to raise such defense in any proceeding in equity. Notwithstanding anything in this **Section 12.5** or elsewhere in this Lease to the contrary, however, JCMG Investment's option to purchase the Real Property as provided in **Article XI** hereof shall not be terminated upon an Event of Default unless and until this Lease is terminated to the extent permitted pursuant to **Section 12.2** hereof.

Section 12.6. Waiver of Breach. No waiver of any breach of any covenant or agreement herein contained 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 of any covenant, agreement or undertaking by JCMG Investment, the City may nevertheless accept from JCMG Investment any payment or payments hereunder without in any way waiving the City's right to exercise any of its rights and remedies provided for herein with respect to any such default or defaults of JCMG Investment which were in existence at the time such payment or payments were accepted by the City.

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

ARTICLE XIII

ASSIGNMENT AND SUBLEASE

Section 13.1. Assignment; Sublease.

(a) JCMG Investment may sublease, assign, transfer, encumber or dispose of this Lease or any interest herein or part hereof for any lawful purpose under the Act, and sublease, license or otherwise grant rights to use the Real Property upon providing written notice to the City. Except as otherwise provided in this Section or in **Section 10.4** hereof, JCMG Investment must obtain the City's prior written consent to any such disposition, unless such disposition is (1) to JCMG PC or an entity controlled by or under common control with or controlling JCMG Investment or (2) an assignment to any Financing Party.

(b) With respect to any assignment, JCMG Investment shall comply with the following conditions:

(1) JCMG Investment shall notify the City and the Trustee of the assignment in writing;

(2) such assignment shall be in writing, duly executed and acknowledged by the assignor and in proper form for recording;

(3) such assignment shall include the entire then unexpired term of this Lease; and

(4) a duplicate original of such assignment shall be delivered to the City and the Trustee within 10 days after the execution thereof, together with an assumption agreement, duly executed and acknowledged by the assignee and in proper form for recording, by which the assignee shall assume all of the terms, covenants and conditions of this Lease on the part of JCMG Investment to be performed and observed.

(c) Any assignee of all the rights of JCMG Investment shall agree to be bound by the terms of this Lease, and the obligations of JCMG Investment under the Performance Agreement and any other documents related to the issuance of the Bonds to which JCMG Investment is a party. Upon such assignment of all the rights of JCMG Investment and agreement by the assignee to be bound by the terms of this Lease, the obligations of JCMG Investment under the Performance Agreement and any other documents related to the issuance of the Bonds to which JCMG Investment is a party, JCMG Investment shall be released from and have no further obligations under this Lease, the Performance Agreement or any other documents related to the issuance of the Bonds.

(d) The parties acknowledge that JCMG Investment will sublease the Real Property to JCMG PC pursuant to the Sublease.

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 JCMG Investment hereby consents to such pledge and assignment.

Section 13.3. Prohibition Against Fee Mortgage of Real Property. The City shall not mortgage its fee interest in the Real Property but may assign its 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 of Real Property by City. During the Lease Term, the City agrees that, except to secure the Bonds to be issued pursuant to the Indenture and except to enforce its rights under **Section 12.2**, it will not sell, assign, encumber, mortgage, transfer or convey the Real Property or any interest therein.

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 issuance of the Bonds and before the payment in full of the Bonds (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, altered or terminated without the prior written consent of the Trustee, given in accordance with the provisions of the Indenture, which consent, however, shall not be unreasonably withheld, and the written consent of all of the Owners and any Financing Party.

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:

(1) To the City:

City of Jefferson, Missouri
320 East McCarty Street
Jefferson City, Missouri 65101
Attention: City Administrator

with a copy to:

City Counselor
City of Jefferson, Missouri
320 East McCarty Street
Jefferson City, Missouri 65101

(2) To the Trustee:

BOKF, N.A.
200 North Broadway, Suite 1710
St. Louis, Missouri 63102
Attention: Corporate Trust Department

(3) To JCMG Investment or JCMG PC:

Jefferson City Medical Group
1241 W. Stadium Boulevard
Jefferson City, Missouri 65109
Attention: Chief Financial Officer

with a copy to:

Gibbs Pool and Turner, P.C.
3225 Emerald Lane, Suite A
Jefferson City, Missouri
Attention: Hallie. H. Gibbs

All notices given by certified or registered mail as aforesaid shall be deemed fully given as of the date they are so mailed, provided, however, that notice to the Trustee shall be effective only upon receipt. A duplicate copy of each notice, certificate or other communication given hereunder by either the City or JCMG Investment to the other shall also be given to the Trustee and JCMG PC. The City, JCMG Investment, JCMG PC and the Trustee may from time to time designate, by notice given hereunder to the others of such parties, such other addresses to which subsequent notices, certificates or other communications shall be sent.

Section 15.2. City Shall Not Unreasonably Withhold Consents and Approvals. Wherever in this Lease it is provided that the City shall, may or must give its approval or consent, or execute supplemental agreements or schedules, the City shall not unreasonably, arbitrarily or unnecessarily withhold or refuse to give such approvals or consents or refuse to execute such supplemental agreements or schedules; provided, however, that nothing in this Lease shall be interpreted to affect the City's rights to approve or deny any additional project or matter unrelated to the Real Property, and the Real Property remains subject to zoning, building permit or other regulatory approvals by the City.

Section 15.3. 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 becomes 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, JCMG Investment shall be obligated to pay, and it 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 JCMG Investment 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 JCMG Investment.

Section 15.4. Limitation on Liability of City. No provision, covenant or agreement contained in this Lease, the Indenture or the Bonds, 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 the State of Missouri.

Section 15.5. Governing Law. This Lease shall be construed in accordance with and governed by the laws of the State of Missouri.

Section 15.6. Binding Effect; JCMG PC as Third-Party Beneficiary. This Lease shall be binding upon and shall inure to the benefit of the City and JCMG Investment and their respective successors and assigns. JCMG PC shall be a third-party beneficiary of this Lease, and this Lease shall not be amended without the prior written consent of JCMG PC, not to be unreasonably withheld, conditioned or delayed.

Section 15.7. Severability. If for any reason any provision of this Lease shall be determined to be invalid or unenforceable, the validity and enforceability of the other provisions hereof shall not be affected thereby.

Section 15.8. Execution in Counterparts. This Lease may be executed in several counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument.

Section 15.9. Electronic Transaction. The parties agree that the transaction described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 15.10. City Consent and Approvals. Pursuant to the Ordinance, the Mayor is authorized to execute all documents on behalf of the City (including documents pertaining to the transfer of property or the financing or refinancing of the Real Property by JCMG Investment or JCMG PC and such and similar documents as may be requested by JCMG Investment or JCMG PC) as may be required to carry out and comply with the intent of the Ordinance, the Indenture and this Lease. The Mayor is also authorized, unless expressly prohibited herein, to grant on behalf of the City such consents, estoppels and waivers relating to the Bonds, the Indenture, this Lease, or the Performance Agreement as may be requested during the term hereof; provided, such consents, estoppels and/or waivers shall not increase the principal amount of the Bonds, increase the term of this Lease or adversely affect the tax exemption as provided for herein, waive an Event of Default or materially change the nature of the transaction unless approved by the City Council.

Section 15.11. Anti-Discrimination Against Israel Act. Pursuant to Section 34.600 of the Revised Statutes of Missouri, JCMG Investment certifies it is not currently engaged in and shall not, for the duration of this Lease, engage in a boycott of goods or services from (a) the State of Israel, (b) companies doing business in or with the State of Israel or authorized by, licensed by or organized under the laws of the State of Israel or (c) persons or entities doing business in the State of Israel.

Section 15.12. Performance by JCMG PC. The City hereby acknowledges and agrees that to the extent that JCMG PC performs any obligation of JCMG Investment hereunder pursuant to the Sublease or otherwise, the City shall accept such performance and such performance shall constitute

JCMG Investment's performance of such obligation for all purposes hereof. JCMG Investment may from time to time provide to JCMG PC specific written authorization to exercise one or more rights of JCMG Investment under this Lease which authorization may be revoked by JCMG Investment at any time.

[Remainder of Page Intentionally Left Blank]

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 JEFFERSON, MISSOURI

By: _____
Name: Carrie Tergin
Title: Mayor

[SEAL]

ATTEST:

By: _____
Name: Emily Donaldson
Title: City Clerk

JCMG INVESTMENT, LLC,
a Missouri limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT A

PROJECT SITE

The real property located in Cole County, Missouri, as more specifically described below:

EXHIBIT B

FORM OF REQUISITION CERTIFICATE

Requisition No. _____
Date: _____

REQUISITION CERTIFICATE

TO: BOKF, N.A., AS TRUSTEE UNDER A REAL PROPERTY TRUST INDENTURE DATED AS OF DECEMBER 1, 2022, BETWEEN THE CITY OF JEFFERSON, MISSOURI, AND THE TRUSTEE, AND THE REAL PROPERTY LEASE AGREEMENT DATED AS OF DECEMBER 1, 2022, BETWEEN THE CITY OF JEFFERSON, MISSOURI, AND JCMG INVESTMENT, LLC

The undersigned Authorized JCMG Investment Representative hereby states and certifies that:

1. A total of $_____ is requested to pay for Project Costs. The total amount of this requisition and all prior requisitions for Project Costs is as follows:

Date of Project Costs	***Amount Submitted in this Requisition***	***Requisitions Submitted to Date (Including this Requisition)***

2. A total of $_____ has been requested to pay for all Project Costs to date, including the Project Costs listed above, which amount is less than $15,700,000.

3. Said Project Costs shall be paid in whole from Bond proceeds in such amounts, to such payees and for such purposes as set forth on **Schedule 1** hereto.

4. Each of the items for which payment is requested are or were provided for in the Plans and Specifications, are or were desirable and appropriate in connection with the purchase of the Project Site and construction of the Project Improvements on the Project Site, have been properly incurred and are a proper charge against the Project Fund, have been paid by JCMG Investment (or JCMG PC) or are justly due to the Persons whose names and addresses are stated on **Schedule 1** and have not been the basis of any previous requisition from the Project Fund.

5. As of this date, except for the amounts referred to above, to the best of my knowledge there are no outstanding disputed statements for which payment is requested for labor, wages, materials, supplies or services in connection with the purchase and improvement of the Real Property which, if unpaid, might become the basis of a vendor's, mechanic's, laborer's or materialman's statutory or similar lien upon the Real Property or any part thereof.

6. Capitalized words and terms used in this Requisition Certificate have the meanings given to such words and terms in **Section 101** of the Real Property Trust Indenture.

JCMG INVESTMENT, LLC

By: _____
Authorized JCMG Investment Representative

Approved this _____ day of _____, 20___.

CITY OF JEFFERSON, MISSOURI

By: _____
Authorized City Representative

SCHEDULE 1 TO REQUISITION CERTIFICATE

PROJECT COSTS

Payee and Address	Description	Amount

Gilmore & Bell, P.C.
Draft v2 – November 29, 2022

CITY OF JEFFERSON, MISSOURI,
As Lessor

AND

JEFFERSON CITY MEDICAL GROUP, P.C.,
As Lessee

_____

PERSONAL PROPERTY LEASE AGREEMENT

Dated as of December 1, 2022

_____

Relating to:

$2,100,000
(Aggregate Maximum Principal Amount)
City of Jefferson, Missouri
Taxable Industrial Development Revenue Bonds
(JCMG – Personal Property Project)
Series 2022

Certain rights of the City of Jefferson, Missouri (the "City"), in this Personal Property Lease Agreement have been pledged and assigned to BOKF, N.A., St. Louis, Missouri, as Trustee under the Personal Property Trust Indenture dated as of December 1, 2022, between the City and the Trustee.

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS

Section 1.1. Definitions of Words and Terms 2
Section 1.2. Rules of Interpretation 2
Section 1.3. Date of Lease 3

ARTICLE II

REPRESENTATIONS

Section 2.1. Representations by the City 3
Section 2.2. Representations by the JCMG PC 4

ARTICLE III

GRANTING PROVISIONS

Section 3.1. Granting of Leasehold Estate 4
Section 3.2. Lease Term 4
Section 3.3. Possession and Use of the Project Equipment 4

ARTICLE IV

PURCHASE AND INSTALLATION OF THE PROJECT EQUIPEMENT

Section 4.1. Issuance of the Bonds 5
Section 4.2. Purchase and Installation of the Project Equipment 5
Section 4.3. Project Costs 6
Section 4.4. Payment for Project Costs 7
Section 4.5. Establishment of Completion Date 7
Section 4.6. Surplus in Project Fund 7
Section 4.7. Project Equipment Property of City 7
Section 4.8. Machinery and Equipment Property of JCMG PC 7

ARTICLE V

RENT PROVISIONS

Section 5.1. Basic Rent 8
Section 5.2. Additional Rent 8
Section 5.3. Obligations of JCMG PC Absolute and Unconditional 9
Section 5.4. Prepayment of Basic Rent 9

ARTICLE VI

MAINTENANCE, TAXES AND UTILITIES

Section 6.1. Maintenance and Repairs 10
Section 6.2. Taxes, Assessments and Other Governmental Charges 10
Section 6.3. Utilities 11
Section 6.4. Property Tax Exemption 11

ARTICLE VII

INSURANCE

Section 7.1. Casualty Insurance 11
Section 7.2. Public Liability Insurance 12
Section 7.3. Blanket Insurance Policies 12
Section 7.4. Worker's Compensation 12
Section 7.5. Sovereign Immunity 12

ARTICLE VIII

ALTERATION OF THE PROJECT EQUIPMENT

Section 8.1. Additions, Modifications and Improvements to the Project Equipment 12
Section 8.2. Removal of Project Equipment 13
Section 8.3. Permits and Authorizations 13
Section 8.4. Mechanics' Liens 14

ARTICLE IX

DAMAGE, DESTRUCTION AND CONDEMNATION

Section 9.1. Damage or Destruction 14
Section 9.2. Condemnation 16
Section 9.3. Bondowner Approval 17

ARTICLE X

SPECIAL COVENANTS

Section 10.1. No Warranty of Condition or Suitability by the City; Exculpation and Indemnification 17
Section 10.2. Surrender of Possession 17
Section 10.3. Right of Access to the Project Equipment 17
Section 10.4. Financing Arrangements 18
Section 10.5. Indemnification of City and Trustee 20
Section 10.6. Depreciation and Other Tax Benefits 20
Section 10.7. JCMG PC to Maintain its Existence 21
Section 10.8. Security Interests 21

ARTICLE XI

OPTION AND OBLIGATION TO PURCHASE THE PROJECT EQUIPMENT

Section 11.1. Option to Purchase the Project Equipment 21
Section 11.2. Conveyance of the Project Equipment 22
Section 11.3. Relative Position of Option and Indenture 22
Section 11.4. Obligation to Purchase the Project Equipment 22
Section 11.5. Right of Set-Off 23

ARTICLE XII

DEFAULTS AND REMEDIES

Section 12.1. Events of Default 23
Section 12.2. Remedies on Default 24
Section 12.3. Survival of Obligations 24
Section 12.4. Performance of JCMG PC's Obligations by the City 25
Section 12.5. Rights and Remedies Cumulative 25
Section 12.6. Waiver of Breach 25
Section 12.7. Trustee's Exercise of the City's Remedies 25

ARTICLE XIII

ASSIGNMENT AND SUBLEASE

Section 13.1. Assignment; Sublease 25
Section 13.2. Assignment of Revenues by City 26
Section 13.3. Restrictions on Sale or Encumbrance of Project Equipment by City 26

ARTICLE XIV

AMENDMENTS, CHANGES AND MODIFICATIONS

Section 14.1. Amendments, Changes and Modifications 26

ARTICLE XV

MISCELLANEOUS PROVISIONS

Section 15.1. Notices 27
Section 15.2. City Shall Not Unreasonably Withhold Consents and Approvals 28
Section 15.3. Net Lease 28
Section 15.4. Limitation on Liability of City 28
Section 15.5. Governing Law 28
Section 15.6. Binding Effect 28
Section 15.7. Severability 28
Section 15.8. Execution in Counterparts 28
Section 15.9. Electronic Transaction 29
Section 15.10. City Consents and Approvals 29
Section 15.11. Anti-Discrimination Against Israel Act 29

Signatures and Seal 1

Exhibit A – Project Site
Exhibit B – Form of Requisition Certificate

PERSONAL PROPERTY LEASE AGREEMENT

THIS PERSONAL PROPERTY LEASE AGREEMENT, dated as of December 1, 2022 (this **"Lease"**), between the **CITY OF JEFFERSON, MISSOURI**, a home rule charter city organized and existing under the laws of the State of Missouri (the **"City"**), as lessor, and **JEFFERSON CITY MEDICAL GROUP, P.C.**, a Missouri professional corporation (**"JCMG PC"**), as lessee;

RECITALS:

1. The City is authorized and empowered pursuant to the provisions of Article VI, Section 27(b) of the Missouri Constitution, Sections 100.010 through 100.200, inclusive, of the Revised Statutes of Missouri (collectively, the **"Act"**) and the City Charter to purchase, construct, extend, improve and equip certain projects (as defined in the Act), to issue industrial revenue bonds for the purpose of providing funds to pay the costs of such projects and to lease or otherwise dispose of such projects to private persons or corporations for manufacturing, commercial, office industry, warehousing and industrial development purposes upon such terms and conditions as the City deems advisable.

2. Pursuant to the Act, the City Council of the City gave notice to the affected taxing jurisdictions in accordance with Section 100.059.1 of the Act regarding the City's intent to approve the issuance of two separate series of industrial development revenue bonds under the Act in order to finance the costs of a project for the benefit JCMG PC consisting of (a) constructing an approximately 28,000 square foot stand-alone outpatient surgery center (the **"Project Improvements"**) on an approximately 6.85 acre site located at 3520 West Edgewood Drive in the City (the **"Project Site"**), which will be occupied by Jefferson City Medical Group, and (b) acquiring and installing certain equipment and other personal property within the Project Improvements (the **"Project Equipment"**).

3. Following notice to the affected taxing jurisdictions in accordance with Section 100.059.1 of the Act, the City Council of the City adopted Ordinance No. [_____] on December 19, 2022 (the **"Ordinance"**), (a) approving a plan for the industrial development project, (b) authorizing the issuance of Taxable Industrial Development Revenue Bonds (JCMG – Real Property Project), Series 2022, in the maximum principal amount of $15,700,000 (the **"Real Property Bonds"**), for the purpose of acquiring the Project Site and constructing the Project Improvements located thereon (the Project Site and Project Improvements being collectively referred to as the **"Real Property"**), and (c) authorizing the issuance of Taxable Industrial Development Revenue Bonds (JCMG – Personal Property Project), Series 2022, in the maximum principal amount of $2,100,000 (the **"Bonds"**), for the purpose of acquiring and installing the Project Equipment within the Project Improvements.

4. The City will acquire the Real Property from JCMG Investment, LLC, a Missouri limited liability company (**"JCMG Investment"**), and JCMG Investment will lease the Real Property from the City pursuant to a separate Real Property Lease Agreement dated December 1, 2022 (the **"Real Property Lease"**), between the City, as lessor, and JCMG Investment, as lessee. JCMG Investment will sublease the Real Property to JCMG PC.

5. Pursuant to the Ordinance, the City is authorized to enter into a Personal Property Trust Indenture of even date herewith (the **"Indenture"**) with BOKF, N.A., St. Louis, Missouri, as trustee (the **"Trustee"**), for the purpose of issuing and securing the Bonds, as therein provided, and to enter into this Lease with JCMG PC, under which the City will acquire or cause to be acquired the Project Equipment and will lease the Project Equipment to JCMG PC in consideration of rental payments by JCMG PC that will be sufficient to pay the principal of and interest on the Bonds.

6. In consideration of the terms and conditions of this Lease, the Real Property Lease, the Ordinance, the issuance of the Real Property Bonds, the issuance of the Bonds and certain other agreements, the City, JCMG Investment and JCMG PC concurrently herewith entered into a Performance Agreement of even date herewith (the "**Performance Agreement"**), pursuant to which JCMG Investment and JCMG PC have agreed to make certain payments in lieu of taxes.

7. Pursuant to the foregoing, the City desires to lease the Project Equipment to JCMG PC and JCMG PC desires to lease the Project Equipment 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, the receipt and sufficiency of which are hereby acknowledged, the City and JCMG PC 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, capitalized words and terms used in this Lease shall have the meanings given to such words and terms in **Section 101** of the Indenture (which definitions are hereby incorporated by reference).

Section 1.2. Rules of 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 otherwise indicates, 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 in this Lease 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.

(d) All references in this instrument to designated "Articles," "Sections" and other subdivisions are, unless otherwise specified, to the designated Articles, Sections and other 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.

(f) Whenever an item or items are listed after the word "including," such listing is not intended to be a listing that excludes items not listed.

Section 1.3. Date of Lease. The dating of this Lease as of December 1, 2022, is intended as and for the convenient identification of this Lease only and is not intended to indicate that this Lease was executed and delivered on said date, this Lease being executed and delivered and becoming effective simultaneously with the initial issuance of the Bonds.

ARTICLE II

REPRESENTATIONS

Section 2.1. Representations by the City. The City makes the following representations as the basis for the undertakings on its part herein contained:

(a) The City is a home rule charter city duly organized and validly existing under the laws of the State of Missouri. Under the provisions of the Act, the City has lawful power and authority to enter into the transactions contemplated by this Lease and to carry out its 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 its duly authorized officers.

(b) As of the date of delivery hereof, the City agrees to acquire and install, or cause to be acquired and installed, the Project Equipment within the Project Improvements on the Project Site. The City agrees to lease the Project Equipment to JCMG PC and to sell the Project Equipment to JCMG PC if JCMG PC exercises its option to purchase the Project Equipment or upon termination of this Lease, all for the purpose of furthering the public purposes of the Act.

(c) To the City's knowledge, no member of the City Council or any other officer of the City has any significant or conflicting interest, financial, employment or otherwise, in the Company or in the transactions contemplated hereby.

(d) To finance the costs of the Project Equipment, the City proposes to issue the Bonds which will be scheduled to mature as set forth in **Article II** of the Indenture and will be subject to redemption prior to maturity in accordance with the provisions of **Article III** of the Indenture.

(e) The Bonds are to be issued under and secured by the Indenture, pursuant to which the Project Equipment and the net earnings therefrom, consisting of all rents, revenues and receipts to be derived by the City from the leasing or sale of the Project Equipment, will be pledged and assigned to the Trustee as security for payment of the principal of and interest on the Bonds and amounts owing pursuant to this Lease.

(f) The City will not knowingly take any affirmative action that would permit a lien to be placed on the Project Equipment or pledge the revenues derived therefrom for any bonds or other obligations, other than the Bonds, except with the written consent of the Authorized JCMG PC Representative; provided, however, the City's execution of this Lease, the Indenture and the Performance Agreement shall not be deemed to violate this **Section 2.1(f)**.

(g) The City will not operate the Project Equipment in any business-like manner or in any other manner except as the lessor thereof; provided, subsequent to an Event of Default hereunder (following the expiration of any notice and/or cure period) in accordance with the

provisions dealing with the exercise of remedies set forth herein and subject to all rights and powers of the Trustee as set forth herein and in the Indenture.

Section 2.2. Representations by JCMG PC. JCMG PC makes the following representations as the basis for the undertakings on its part herein contained:

(a) JCMG PC is a professional corporation duly organized, validly existing and in good standing under the laws of the State of Missouri.

(b) JCMG PC has lawful power and authority to enter into this Lease and to carry out its obligations hereunder, and JCMG PC has been duly authorized to execute and deliver this Lease, acting by and through its 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 JCMG PC will not, to the best of JCMG PC's knowledge, conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any mortgage, deed of trust, lease or any other restriction or any agreement or instrument to which JCMG PC is a party or by which it or any of its property is bound, or JCMG PC's organizational documents, or any order, rule or regulation applicable to JCMG PC or any of its 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 JCMG PC under the terms of any instrument or agreement to which JCMG PC is a party.

(d) To JCMG PC's knowledge, the estimated costs of the purchase and installation of the Project Equipment are in accordance with sound engineering and accounting principles.

(e) To JCMG PC's knowledge, the Project equipment will be located at the Project Site and will comply in all material respects with all applicable laws, rules and regulations.

ARTICLE III

GRANTING PROVISIONS

Section 3.1. Granting of Leasehold Estate. The City hereby exclusively rents, leases and lets the Project Equipment to JCMG PC, and JCMG PC hereby rents, leases and hires the Project Equipment from the City, subject to Permitted Encumbrances existing as of the date of the execution and delivery hereof, for the rentals and upon and subject to the terms and conditions herein contained.

Section 3.2. Lease Term. This Lease shall become effective upon its execution and delivery. Subject to earlier termination pursuant to the provisions of this Lease, the lease of the Project Equipment shall terminate on December 31, 2032.

Section 3.3. Possession and Use of the Project Equipment.

(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** following the occurrence and continuance of an Event of Default, as defined in **Section 12.1**, JCMG PC shall have sole and exclusive possession of the

Project Equipment (subject to Permitted Encumbrances and the City's and the Trustee's right of access pursuant to **Section 10.3**) and shall peaceably and quietly have, hold and enjoy the Project Equipment during the Lease Term. The City covenants and agrees that it will not take any action, other than expressly pursuant to **Article XII**, the Indenture, and the Performance Agreement, to prevent JCMG PC from having quiet and peaceable possession and enjoyment of the Project Equipment during the Lease Term and will, at the request and expense of JCMG PC, cooperate with JCMG PC to defend JCMG PC's quiet and peaceable possession and enjoyment of the Project Equipment.

(b) Subject to the provisions of this Section, JCMG PC shall have the exclusive right to use the Project Equipment for any lawful purpose contemplated by the Act and consistent with the terms of the Performance Agreement. JCMG PC shall comply in all material respects with all statutes, laws, ordinances, orders, judgments, decrees, regulations, directions and requirements of all federal, state, local and other governments or governmental authorities, now or hereafter applicable to the Project Equipment, as to the manner of use or the condition of the Project Equipment, or that otherwise may be applicable by virtue of the City's ownership of the Project Equipment. JCMG PC shall also comply with the mandatory requirements, rules and regulations of all insurers under the policies carried under the provisions of **Article VII**. JCMG PC shall pay all costs, expenses, claims, fines, penalties and damages that may in any manner arise out of, or be imposed as a result of, the failure of JCMG PC to comply with the provisions of this Section. Notwithstanding any provision contained in this Section, however, JCMG PC may, at its own cost and expense, 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 JCMG PC may refrain from complying therewith.

ARTICLE IV

PURCHASE AND INSTALLATION OF THE PROJECT EQUIPMENT

Section 4.1. Issuance of the Bonds. To provide funds for the payment of Project Costs, the City agrees that, upon request of JCMG PC, it will issue, sell and cause to be delivered the Bonds to the purchaser thereof in accordance with the provisions of the Indenture and the Bond Purchase Agreement. The proceeds of the sale of the Bonds, when received, shall be paid over to the Trustee for the account of the City. The Trustee shall promptly deposit such proceeds, when received, as provided in the Indenture to be used and applied as provided in this Lease and in the Indenture. Alternatively, the Trustee shall (pursuant to **Section 208(d)** of the Indenture) endorse the Bonds in an amount equal to the requisition certificates submitted pursuant to **Section 4.4**. In that event, so long as the sole Owner of the Bonds is the lessee under this Lease, the purchaser of the Bonds shall be deemed to have deposited funds with the Trustee in an amount equal to the amounts stated in the requisition certificates.

Section 4.2. Purchase and Installation of the Project Equipment. The City and JCMG PC agree that JCMG PC, as the agent of the City, shall, but solely from the Project Fund (or from funds deemed to be deposited into the Project Fund upon JCMG PC's delivery of a requisition certificate as permitted by **Section 208(e)** of the Indenture), purchase and install the Project Equipment as follows:

(a) JCMG PC will purchase and install the Project Equipment within the Project Improvements on the Project Site. Title to the Project Equipment shall be evidenced by bills of sale in substantially the form attached to the form of the requisition certificate attached as **Exhibit B** or other instruments of transfer, including purchase orders or other instruments pursuant to

which the City acquires title to personal property directly from the vendor thereof. Such bills of sale or other instruments of transfer, along with a requisition certificate pursuant to **Section 4.4**, must (1) be dated by no later than December 31 of each year to be treated as Project Equipment (and therefore to be exempt from property taxes) in the next succeeding year and (2) be submitted to the City by no later than January 31.

(b) On or before March 1 of each year or such other date required by law for reporting personal property declarations, JCMG PC shall furnish to the City and the Trustee a list of items comprising the Project Equipment as of January 1 of such year as required by the personal property declarations provided by the Assessor's Office of Cole County, Missouri. JCMG PC shall provide such information to the City and the Trustee as may be requested to ensure that such list corresponds to the list of the Project Equipment maintained by the Trustee pursuant to **Section 10.8**. The Trustee may conclusively rely upon such information in compiling a list of the Project Equipment in accordance with **Section 10.8**.

(c) 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's officials and the Cole County Assessor, to determine which personal property as reported on the annual personal property declaration constitutes Project Equipment (and therefore is owned by the City) and which personal property does not constitute Project Equipment (and therefore is owned by JCMG PC).

(d) The City and JCMG PC agree that, pursuant to **Section 4.8**, property purchased in whole or in part by JCMG PC with its own funds, and not Bond proceeds as evidenced by the submission of a requisition certificate, shall not constitute part of the Project Equipment and shall remain the property of JCMG PC and shall, therefore, be subject to taxation.

(e) JCMG PC will cause the purchase and installation of the Project Equipment to be completed on or before the Completion Date, except as otherwise provided in **Section 4.5**.

(f) The parties acknowledge that the Project Equipment shall be defined as the personal property reflected in the requisition certificates and bills of sale actually submitted to the City.

Section 4.3. Project Costs. The City hereby agrees to pay for, but solely from the Project Fund (or from funds deemed to be deposited into the Project Fund upon JCMG PC's delivery of a requisition certificate as permitted by **Section 208(e)** of the Indenture), and hereby authorizes and directs the Trustee to pay for, but solely from the Project Fund (or from funds deemed to be deposited into the Project Fund upon JCMG PC's delivery of a requisition certificate as permitted by **Section 208(e)** of the Indenture), all Project Costs upon receipt by the Trustee of requisition certificates pursuant to **Section 4.4** hereof. JCMG PC may not submit any requisition certificates for Project Costs incurred after the Completion Date. JCMG PC must submit all requisition certificates for Project Costs incurred before the Completion Date within three months of the Completion Date. The maximum amount of Project Equipment for which requisition certificates may be submitted is $2,100,000. All other machinery and equipment installed at the Project Site shall be subject to ad valorem taxes.

Section 4.4. Payment for Project Costs.

(a) The City hereby authorizes and directs the Trustee to make disbursements from the Project Fund and endorse the Bonds, if the Trustee is holding the Bonds, upon receipt by the Trustee of certificates in substantially the form attached as **Exhibit B**, signed by an Authorized JCMG PC Representative and approved by an Authorized City Representative. JCMG PC agrees that the information in each certificate will be accurate in all respects when given and that JCMG PC will notify the City if JCMG PC becomes aware of any material inaccuracies in a certificate after the date on which it is given. Upon request by the City, JCMG PC shall provide the City with copies of invoices, bills, lien waivers and other reasonable documentation to support each submitted requisition certificate.

(b) The Trustee may rely conclusively on any such certificate and shall not be required to make any independent inspection or investigation in connection therewith. The approval of any requisition certificate by an Authorized JCMG PC Representative and 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 of the acquisition and installation of the Project Equipment shall be evidenced to the City and the Trustee by a certificate signed by an Authorized JCMG PC Representative stating (a) that the acquisition and installation of the Project Equipment has been completed, (b) the date of completion thereof, and (c) that all costs and expenses of the purchase and installation of the Project Equipment have been paid except costs and expenses the payment of which is not yet due or is being contested in good faith by JCMG PC. Notwithstanding the foregoing, such certificate shall be deemed given on December 31, 2022 if not actually filed with the City by December 31, 2022. JCMG PC and the City agree to cooperate in causing such certificate to be furnished to the Trustee.

Section 4.6. Surplus in Project Fund. Upon receipt of the certificate described in **Section 4.5**, the Trustee shall, as provided in **Section 504** of the Indenture, transfer any remaining moneys then in the Project Fund to the Bond Fund to be applied as directed by JCMG PC solely to (a) 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, or (b) at the option of JCMG PC, to the purchase of Bonds at such earlier date or dates as JCMG PC may elect. Any amount so deposited in the Bond Fund may be invested as permitted by **Section 702** of the Indenture.

Section 4.7. Project Equipment Property of City. The Project Equipment which JCMG PC desires to convey to the City at the execution hereof, if any, all Project equipment as acquired, the Project as fully completed, anything under this Lease which becomes, is deemed to be or constitutes a part of the Project Equipment and the Project Equipment as repaired, rebuilt, rearranged, restored or replaced by JCMG PC under the provisions of this Lease, except as otherwise specifically provided herein, shall immediately when installed become the absolute property of the City, subject only to this Lease, the Indenture, Permitted Encumbrances and any Financing Document. Nothing herein shall limit JCMG PC's right to own personal property which is not part of the Project Equipment to be acquired by the City pursuant to **Section 4.2** hereof.

Section 4.8. Machinery and Equipment Property of JCMG PC. Any items of machinery or equipment which do not constitute part of the Project Equipment and the entire purchase price of which is paid for by JCMG PC with JCMG PC's own funds, and no part of the purchase price of which is either

paid for from funds deposited pursuant to the terms of this Lease in the Project Fund or included in a requisition certificate, shall be the property of JCMG PC and shall not constitute a part of the Project Equipment for purposes of **Section 6.4** hereof and therefore, shall be subject to taxation, to the extent otherwise provided by law.

ARTICLE V

RENT PROVISIONS

Section 5.1. Basic Rent. JCMG PC covenants and agrees to pay to the Trustee in same day funds for the account of the City during the Lease Term, on or before 11:00 a.m., Trustee's local time, on each Payment Date, as Basic Rent for the Project Equipment, an amount which, when added to any collected funds then on deposit in the Bond Fund and available for the payment of principal of 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 and the interest thereon as provided in the Indenture. Except as offset pursuant to the right of JCMG PC set forth below, all payments of Basic Rent provided for in this Section 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, the Bond Purchase Agreement or the Performance Agreement to the contrary, and provided that JCMG PC is the sole holder of the Bonds, JCMG PC may set-off the then-current Basic Rent payment against the City's obligation to JCMG PC as bondholder under the Indenture in lieu of delivery of the Basic Rent on any Payment Date, without providing notice of such set-off to the Trustee. The Trustee may conclusively rely on the absence of any notice from JCMG PC to the contrary as evidence that such set-off has occurred and that pursuant to the set-off, the City is deemed to have paid its obligation to JCMG PC as bondholder to pay principal of and interest on the Bonds under the Indenture. On the final Payment Date, JCMG PC will (a) if the Trustee holds the Bonds, notify the Trustee of the Bonds not previously paid that are to be canceled or (b) if an entity other than the Trustee holds the Bonds, deliver or cause to be delivered to the Trustee for cancellation Bonds not previously paid. JCMG PC shall receive a credit against the Basic Rent payable by JCMG PC in an amount equal to the principal amount of the Bonds so tendered for cancellation plus accrued interest thereon.

Section 5.2. Additional Rent. JCMG PC shall pay or cause to be paid as Additional Rent, within 30 days after receiving an itemized invoice therefor, the following amounts:

(a) all fees, charges and expenses, including agent and attorneys' fees and expenses, of the City, the Trustee and the Paying Agent incurred under or arising from this Lease, the Indenture or the Performance Agreement, including but not limited to claims by contractors or subcontractors, as and when the same becomes due;

(b) all costs incident to the issuance of the Bonds (which are to be paid on the Closing Date) and the payment of the principal of and interest on the Bonds as the same becomes due and payable, including all costs and expenses in connection with the call, redemption and payment of all Outstanding Bonds;

(c) all fees, charges and expenses incurred in connection with the enforcement of any rights under this Lease, the Indenture or the Performance Agreement by the City, the Trustee or the Owners, including attorneys' fees and expenses; and

(d) all other payments of whatever nature that JCMG PC has agreed in writing to pay or assume under the provisions of this Lease, the Indenture or the Performance Agreement.

Section 5.3. Obligations of JCMG PC Absolute and Unconditional.

(a) The obligations of JCMG PC under this Lease to make payments of Basic Rent and Additional Rent on or before the date the same becomes due, and to perform all of its other obligations, covenants and agreements hereunder shall be absolute and unconditional, without notice or demand, and without abatement, deduction, set-off (except as provided in **Section 5.1**), counterclaim, recoupment or defense or any right of termination or cancellation arising from any circumstance whatsoever, whether now existing or hereafter arising, and irrespective of whether the Project Equipment has been purchased or installed, or whether the City's title thereto or to any part thereof is defective or nonexistent, and notwithstanding any damage to, loss, theft or destruction of, the Project Equipment or any part 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 Project Equipment, legal curtailment of JCMG PC's use thereof, 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; provided, however, that nothing in this Section is intended or shall be deemed to affect or impair in any way the rights of JCMG PC to tender Bonds for redemption in satisfaction of Basic Rent as provided in **Section 5.1** and **Section 5.4**, nor the right of JCMG PC to terminate this Lease and purchase the Project Equipment as provided in **Article XI**.

(b) Nothing in this Lease shall be construed to release the City from the performance of any agreement on its part herein contained or as a waiver by JCMG PC of any rights or claims JCMG PC 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 JCMG PC shall be unconditionally and absolutely obligated to perform fully all of its obligations, agreements and covenants under this Lease (including the obligation to pay Basic Rent and Additional Rent) for the benefit of the Owners and the City. JCMG PC may, however, at its own cost and expense and in its 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 JCMG PC deems reasonably necessary in order to secure or protect its right of possession, occupancy and use hereunder, and in such event the City hereby agrees, at JCMG PC's expense, to cooperate fully with JCMG PC and to take all action necessary to effect the substitution of JCMG PC for the City in any such action or proceeding if JCMG PC shall so request.

Section 5.4. Prepayment of Basic Rent.

(a) JCMG PC may at any time and from time to time prepay all or any part of the Basic Rent provided for hereunder (subject to the limitations of **Section 301(a)** of the Indenture relating to the partial redemption of the Bonds). 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 the Bonds then remaining unpaid, JCMG PC shall not be obligated to make payments of Basic Rent under the provisions of this Lease.

(b) At its option, JCMG PC may deliver to the Trustee for cancellation Bonds owned by JCMG PC and not previously paid, and JCMG PC shall receive a credit against amounts payable by JCMG PC for the redemption of Bonds in an amount equal to the principal amount of the Bonds so tendered for cancellation, plus accrued interest thereon.

ARTICLE VI

MAINTENANCE, TAXES AND UTILITIES

Section 6.1. Maintenance and Repairs. Throughout the Lease Term JCMG PC shall, at its own expense, keep the Project Equipment in reasonably safe operating condition and keep the Project Equipment in good repair, reasonable wear, tear, depreciation and obsolescence excepted, making from time to time all repairs thereto and renewals and replacements thereof it determines to be necessary.

Section 6.2. Taxes, Assessments and Other Governmental Charges.

(a) Subject to subsection **(b)** of this Section, JCMG PC shall promptly pay and discharge, as the same becomes 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 Project Equipment, or any part thereof or interest therein (including the leasehold estate of JCMG PC therein) or the income therefrom, 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 Project 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, JCMG PC shall be obligated to pay only such installments thereof as become due and payable during the Lease Term.

(b) JCMG PC may, in its own name or in the City's name, contest the validity or amount of any tax, assessment or other governmental charge which JCMG PC is required to bear, pay and discharge pursuant to the terms of this Article by appropriate legal proceedings instituted at least 10 days before the tax, assessment or other governmental charge complained of becomes delinquent if and provided (1) JCMG PC, before instituting any such contest, gives the City written notice of its intention to do so, (2) JCMG PC diligently prosecutes any such contest, at all times effectively stays or prevents any official or judicial sale therefor, under execution or otherwise, and (3) JCMG PC promptly pays any final judgment enforcing the tax, assessment or other governmental charge so contested and thereafter promptly procures record release or satisfaction thereof. The City agrees to cooperate fully with JCMG PC in connection with any and all administrative or judicial proceedings related to any tax, assessment or other governmental charge. JCMG PC shall save and hold harmless the City from any costs and expenses the City may incur related to any of the above.

(c) Nothing in this Lease shall be construed to require JCMG PC to make duplicate tax payments. JCMG PC shall receive a credit against the PILOT Payments (as defined int eh Performance Agreement) to be made by JCMG PC under the Performance Agreement to the extent of any ad valorem taxes imposed with respect to the Project Equipment paid pursuant to this Section, except as otherwise provided in the Performance Agreement.

Section 6.3. Utilities. All utilities and utility services used by JCMG PC or JCMG Investment in, on or about the Project Site shall be paid by JCMG PC or JCMG Investment, as applicable, and shall be contracted by JCMG PC in JCMG PC's own name, or JCMG Investment in JCMG Investment's own name, as applicable, and JCMG PC shall, at its sole cost and expense, or shall cause JCMG Investment at its sole cost and expense to, procure any and all permits, licenses or authorizations necessary in connection therewith.

Section 6.4. Property Tax Exemption. The City and JCMG PC expect that while the Project Equipment is owned by the City and is subject to this Lease, the Project Equipment will be exempt from all ad valorem personal property taxes by reason of such ownership, and the City agrees that it will (at the expense of JCMG PC) cooperate with JCMG PC to defend such exemption against all parties. The City and JCMG PC further acknowledge and agree that the City's obligations hereunder are contingent upon JCMG PC making the payments and otherwise complying with the terms of the Performance Agreement during the term of this Lease. The terms and conditions of the Performance Agreement are incorporated herein as if fully set forth herein.

ARTICLE VII

INSURANCE

Section 7.1. Casualty Insurance.

(a) JCMG PC shall at its sole cost and expense obtain and maintain throughout the Lease Term a policy or policies of insurance to keep the Project Equipment constantly insured against loss or damage by fire, lightning and all other risks covered by the extended coverage insurance endorsement then in use in the State of Missouri in an amount equal to the Full Insurable Value thereof (subject to reasonable loss deductible provisions). The insurance required pursuant to this Section shall be maintained 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 not less than "B+" or the equivalent thereof as may be selected by JCMG PC. JCMG PC shall deliver certificates of insurance for such policies to the City and the Trustee on the date of execution of this Lease and promptly after renewal of each insurance policy. All such policies of insurance pursuant to this Section, and all renewals thereof, shall name JCMG PC, the City and the Trustee as insureds, as their respective interests may appear, shall name the Trustee as loss payee and, to the extent such agreement is reasonably commercially available from the insurer, shall contain an agreement by the insurer that, notwithstanding any right of cancellation reserved to such insurer, such policy or contract shall continue in force for at least 10 days after written notice of cancellation to the City, JCMG PC, the Trustee and each other insured or loss payee named therein. The Trustee's sole duty with respect to JCMG PC's compliance with the insurance requirements hereunder shall be to receive certificates of insurance pursuant to this Section and to hold the same solely as repository for the benefit of the Owners. The Trustee makes no representation as to, and shall have no responsibility for, the sufficiency or adequacy of the insurance.

(b) In the event of loss or damage to the Project Equipment, the Net Proceeds of casualty insurance carried pursuant to this Section shall be, subject to the rights of any Financing Party under any Financing Document, and unless otherwise provided by law, (1) paid over to the Trustee and applied as provided in **Article IX**, or (2) applied as directed in writing by, or on behalf of, the Owners of 100% in principal amount of the Bonds Outstanding.

Section 7.2. Public Liability Insurance.

(a) JCMG PC shall at its sole cost and expense maintain or cause to be maintained at all times during the Lease Term commercial general liability insurance (including but not limited to coverage for operations, contingent liability, operations of subcontractors, completed operations and contractual liability), under which the City and the Trustee shall be named as additional insureds, properly protecting and indemnifying the City and the Trustee, in an amount not less than the limits of liability set by Section 537.610 of the Revised Statutes of Missouri (subject to reasonable loss deductible clauses not to exceed the amounts normally or generally carried by JCMG PC). The policies of said insurance shall, to the extent such agreement is reasonably commercially available from the insurer, contain an agreement by the insurer that, notwithstanding any right of cancellation reserved to such insurer, such policy or contract shall continue in force for at least 10 days after written notice of cancellation to JCMG PC, the City, the Trustee and each other insured or loss payee named therein. Certificates of such policies shall be furnished to the City and the Trustee on the date of execution of this Lease and promptly after renewal of each insurance policy. The Trustee's sole duty with respect to JCMG PC's compliance with the insurance requirements hereunder shall be to receive certificates of insurance pursuant to this Section and to hold the same solely as repository for the benefit of the Owners. The Trustee makes no representation as to, and shall have no responsibility for, the sufficiency or adequacy of the insurance.

(b) In the event of a general liability occurrence, the Net Proceeds of liability insurance carried pursuant to this Section shall be applied toward the extinguishment or satisfaction of the liability with respect to which such proceeds have been paid.

Section 7.3. Blanket Insurance Policies. JCMG PC may satisfy any of the insurance requirements set forth in this Article by using blanket policies of insurance, provided each and all of the requirements and specifications of this Article respecting insurance are complied with.

Section 7.4. Worker's Compensation. JCMG PC agrees throughout the Lease Term to maintain or cause to be maintained the worker's compensation coverage required by the laws of the State of Missouri.

Section 7.5. Sovereign Immunity. Notwithstanding anything to the contrary contained herein, nothing in this Lease shall be construed to broaden the liability of the City beyond the provisions of Sections 537.600 to 537.610 of the Revised Statutes of Missouri or abolish or waive any defense at law that might otherwise be available to the City or its officers, agents and employees.

ARTICLE VIII

ALTERATION OF THE PROJECT EQUIPMENT

Section 8.1. Additions, Modifications and Improvements to the Project Equipment.

(a) JCMG PC may make such additions, modifications and improvements to any part of the Project Equipment as JCMG PC from time to time may deem necessary or desirable for its business purposes. All additions, modifications and improvements made by JCMG PC pursuant to this Section shall (1) be made in a good and workmanlike manner and in strict compliance with all laws, orders and ordinances applicable thereto and (2) when commenced, be prosecuted to completion with due diligence.

(b) Following the Completion Date, any additions of machinery and equipment installed at the Project Site by JCMG PC shall remain the property of JCMG PC and shall not become part of the Project Equipment. Such machinery and equipment shall be subject to ad valorem taxes. If for any reason the Cole County Assessor determines that such additions of machinery and equipment are not subject to ad valorem taxes, JCMG PC shall make payments in lieu of taxes in an amount equal to the taxes that would otherwise be due on such machinery and equipment, unless otherwise agreed to by the City.

Section 8.2. Removal of Project Equipment.

(a) JCMG PC may, if no uncured Event of Default (as defined in **Section 12.1**) exists and is continuing, remove from the Project Site and sell, exchange, replace or otherwise dispose of, without responsibility or accountability to the City or the Trustee with respect thereto, any items of machinery and equipment, or parts thereof, which constitute a part of the Project Equipment and which have become inadequate, obsolete, worn out, unsuitable, undesirable, unnecessary or damaged or destroyed by casualty or otherwise, notwithstanding the provisions of **Article IX**, or which, in the sound discretion of JCMG PC, are otherwise no longer useful to JCMG PC in its operations. Before any such removal of any item of machinery or equipment which constitutes a part of the Project Equipment, JCMG PC shall deliver to the City and the Trustee a certificate signed by an Authorized JCMG PC Representative containing a complete description of the machinery or equipment that JCMG PC proposes to remove. Upon request by JCMG PC, the City will execute and deliver a bill of sale that transfers full and complete title to JCMG PC of the Project Equipment removed. Notwithstanding anything contained herein to the contrary, title to any item of the Project Equipment removed from the Project Site as provided herein shall automatically vest in JCMG PC without further instrument or action, and such vesting of title shall be self-operative effective upon removal. Any Project Equipment removed from the Project Site shall no longer be entitled to the tax exemption afforded by virtue of the City's ownership thereof.

(b) In all cases, JCMG PC shall pay all of the costs and expenses of any such removal and shall immediately repair at its expense all damage to the Project Site caused thereby. JCMG PC's right under this Section to remove machinery and equipment constituting a part of the Project Equipment is intended only to permit JCMG PC to maintain an efficient operation by the removal of machinery and equipment that is no longer suitable for any of the reasons set forth in this Section, and such right is not to be construed to permit a removal under any other circumstances and specifically is not to be construed to permit JCMG PC to make a wholesale removal of the Project Equipment.

Section 8.3. Permits and Authorizations. JCMG PC shall not do or permit others under its control to do any work on the Project Site related to any repair, restoration, replacement, modification or addition to the Project Equipment, 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. The City shall cooperate with JCMG PC to obtain, amend or maintain any existing or future municipal or other governmental permit or authorization for the Project Equipment which requires the City's signature, certification or consent as the owner of any part of the Project Equipment, including executing any required applications, certifications or reports. All such work shall be done in a good and workmanlike manner and in strict compliance with all applicable material building and zoning laws and governmental regulations and requirements, and in accordance with the requirements, rules and regulations of all insurers under the policies required to be carried under the provisions of **Article VII**.

Section 8.4. Mechanics' Liens.

(a) JCMG PC will not directly or indirectly create, incur, assume or suffer to exist any lien on or with respect to the Project Equipment, except Permitted Encumbrances, and JCMG PC shall promptly notify the City of the imposition of any such lien of which JCMG PC is aware and shall promptly, at its own expense, take such action as may be necessary to fully discharge or release any such lien. Whenever and as often as any mechanics' or other similar lien is filed against the Project Equipment, 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 relating to the Project Equipment, JCMG PC shall discharge the same of record. Notice is hereby given that the City shall not be liable for any labor, services or materials furnished to JCMG PC or anyone claiming by, through or under JCMG PC 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 Project Equipment or any part thereof.

(b) Notwithstanding paragraph (a) above, and subject to the terms of any Financing Document executed by JCMG PC in favor and for the benefit of any Financing Party, JCMG PC may contest any such mechanics' or other similar lien if JCMG PC (1) within 60 days after JCMG PC becomes aware of any such lien notifies the City and the Trustee in writing of its intention so to do, (2) diligently prosecutes such contest, (3) at all times effectively stays or prevents any official or judicial sale of the Project Equipment, or any part thereof or interest therein, under execution or otherwise, (4) promptly pays or otherwise satisfies any final judgment adjudging or enforcing such contested lien claim and (5) thereafter promptly procures record release or satisfaction thereof. JCMG PC may permit the lien so contested to remain unpaid during the period of such contest and any appeal therefrom unless JCMG PC is notified by the City that, in the opinion of counsel, by nonpayment of any such items, the interest of the City in the Project Equipment will be subject to loss or forfeiture. In that event, JCMG PC shall promptly, at its own expense, take such action as may be reasonably necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim if the same shall arise at any time. JCMG PC shall defend, save and hold harmless the City from any loss, costs or expenses the City may incur related to any such contest. JCMG PC shall reimburse the City for any expense incurred by it in connection with the imposition of any such lien or the discharge or removal of any such mortgage, pledge, lien, charge, encumbrance or claim. The City shall cooperate fully with JCMG PC in any such contest.

ARTICLE IX

DAMAGE, DESTRUCTION AND CONDEMNATION

Section 9.1. Damage or Destruction.

(a) If the Project Equipment is damaged or destroyed by fire or any other casualty, whether or not covered by insurance, JCMG PC, as promptly as practicable, shall either (1) make the determination described in subsection (f) below, or (2) repair, restore, replace or rebuild the same so that upon completion of such repairs, restoration or replacement of the Project Equipment is of a value not less than the value thereof immediately before the occurrence of such damage or destruction.

If JCMG PC elects to replace any of the Project Equipment, for all purposes of this Lease, any reference to the words "Project Equipment" shall be deemed to also include any replacement machinery, equipment and fixtures.

Unless JCMG PC makes the determination described in subsection **(f)** below, the Net Proceeds of casualty insurance required by **Article VII** received with respect to such damage or loss to the Project Equipment shall be used to pay the cost of repairing, restoring or replacing the Project Equipment or any part thereof. Insurance monies in an amount less than $1,000,000 may be paid to or retained by JCMG PC to be held in trust and used as provided herein. Insurance monies in any amount of $1,000,000 or more shall be (i) paid to the Trustee and deposited in the Project Fund and disbursed as provided in **Section 4.4** to pay the cost of repairing, restoring or replacing the Project Equipment or any part thereof, or (ii) applied as directed in writing by, or on behalf of, the Owners of 100% in principal amount of the Bonds Outstanding, subject to the rights of any Financing Party. If JCMG PC makes the determination described in subsection **(f)** below, the Net Proceeds shall be deposited with the Trustee and used to redeem Bonds as provided in subsection **(f)**.

(b) If any of the insurance monies paid by the insurance company as hereinabove provided remain after the completion of such repairs, restoration or replacement, and this Lease has not been terminated, the excess shall be deposited in the Bond Fund, subject to the rights of any Financing Party, except as otherwise provided by law. Completion of such repairs, restoration or replacement shall be evidenced by a certificate of completion delivered by JCMG PC to the City in accordance with the provisions of **Section 4.5**. If the Net Proceeds are insufficient to pay the entire cost of such repairs, restoration or replacement, JCMG PC 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 JCMG PC shall remain and continue to be liable for the payment of all Basic Rent and Additional Rent and all other charges required hereunder to be paid by JCMG PC, as though no damage by fire or any other casualty has occurred.

(d) The City and JCMG PC 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 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) JCMG PC agrees to give prompt written notice to the City, any Financing Party and the Trustee with respect to all fires and other casualties occurring in, on, at or about the Project Site causing (in JCMG PC's opinion) damage of more than $1,000,000.

(f) If JCMG PC determines that repairing, restoring or replacing the Project Equipment is not practicable or desirable, or if JCMG PC does not have the right under any Financing Document to use any Net Proceeds for repair or restoration of the Project Equipment, any Net Proceeds of casualty insurance required by **Article VII** 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 and used to redeem Bonds on the earliest practicable redemption date or to pay the principal of any Bonds as the same becomes due, all subject to the rights of any Financing Party under the Financing Documents (if any). JCMG PC agrees to be reasonable in exercising its judgment pursuant to this subsection (f). Alternatively, if JCMG PC is the sole owner of the Bonds and it has determined that repairing, restoring or replacing the Project Equipment is not practicable or desirable, it may tender Bonds to the Trustee for cancellation in a principal amount equal to the Net Proceeds of the casualty insurance and retain such proceeds for its own account.

(g) JCMG PC shall not, by reason of its inability to use all or any part of the Project Equipment during any period in which the Project Equipment is damaged or destroyed or is being

repaired, restored, replaced or rebuilt, nor by reason of the payment of the costs of such repairing, restoring or replacing, be entitled to any reimbursement from the City, the Trustee or the Owners or to any abatement or diminution of the rentals payable by JCMG PC under this Lease or of any other obligations of JCMG PC under this Lease except as expressly provided in this Section.

(h) The rights of the City and the Trustee in and to any Net Proceeds are and will at all times be subject to the rights of any Financing Party.

(i) Nothing herein shall be deemed to authorize JCMG PC to allow an unsafe, dangerous, unhealthy or injurious condition to exist on the Project Site or any portion thereof, in violation of any applicable laws, codes and ordinances due to a fire or other casualty.

Section 9.2. Condemnation.

(a) If during the Lease Term, title to, or the temporary use of, all or any part of the Project Equipment is 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 $1,000,000, JCMG PC shall, within 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 and any Financing Party under any Financing Document (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 install substitute equipment.

(b) If JCMG PC determines that such substitution is practicable and desirable, JCMG PC shall proceed promptly with and complete with reasonable dispatch the acquisition of such substitute equipment, so as to place the Project Equipment in substantially the same condition as existed before the exercise of the power of eminent domain (which equipment will be deemed a part of the Project Equipment and available for use by JCMG PC without the payment of any rent other than herein provided, to the same extent as if such equipment was specifically described herein and demised hereby); provided, that such equipment will be acquired by the City subject to no liens, security interests or encumbrances before the lien and/or security interest afforded by the Indenture and this Lease other than Permitted Encumbrances. In such case, any Net Proceeds received from any award or awards with respect to the Project Equipment 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** (with respect to the receipt of casualty insurance proceeds).

(c) If JCMG PC determines that it is not practicable or desirable to acquire substitute equipment, any Net Proceeds of condemnation awards received by JCMG PC shall, after payment of all Additional Rent then due and payable, be paid into the Bond Fund and shall be used to redeem Bonds on the earliest practicable redemption date or to pay the principal of any Bonds as the same becomes due and payable, all subject to the rights of any Financing Party under the Financing Documents (if any).

(d) JCMG PC shall not, by reason of its inability to use all or any part of the Project Equipment during any such period of acquisition nor by reason of the payment of the costs of such acquisition, be entitled to any reimbursement from the City, the Trustee or the Owners or to any abatement or diminution of the rentals payable by JCMG PC under this Lease or of any other obligations hereunder except as expressly provided in this Section.

(e) The City shall cooperate fully with JCMG PC in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Project Equipment or any part

thereof, and shall, to the extent it may lawfully do so, permit JCMG PC to litigate in any such proceedings in the name and on behalf of the City. In no event will the City voluntarily settle or consent to the settlement of any prospective or pending condemnation proceedings with respect to the Project Equipment or any part thereof without the prior written consent of JCMG PC or any Financing Party.

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 before the application thereof by the City or the Trustee be applied as directed in writing by the Owners or pledgees of 100% of the principal amount of Bonds Outstanding, subject and subordinate to (a) the rights of the City and the Trustee to be paid all their expenses (including attorneys' fees, trustee's fees and any extraordinary expenses of the City and the Trustee) incurred in the collection of such gross proceeds and (b) the rights of the City to any amounts then due and payable under the Performance Agreement. For purposes of this paragraph, the Financing Parties, if any, shall be deemed a pledgee of the Bonds.

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 Equipment or that it will be suitable for JCMG PC's purposes or needs. JCMG PC releases the City and the Trustee from, agrees that the City and the Trustee shall not be liable for and agrees to hold the City and the Trustee harmless against, 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 Equipment or JCMG PC's use thereof, unless such loss is the result of the City's or the Trustee's (or their respective employees, consultants and agents') negligence or willful misconduct. This provision shall survive termination of this Lease.

Section 10.2. Surrender of Possession. Upon accrual of the City's right of re-entry to the extent provided in **Section 12.2(a)(2)**, JCMG PC shall peacefully surrender possession of the Project Equipment to the City in good condition and repair; provided, however, JCMG PC may within 90 days (or such later date as the City may agree to) after the termination of this Lease remove from the Project Site any furniture, trade fixtures, machinery and equipment owned by JCMG PC and not constituting part of the Project Equipment . All repairs to and restorations of the Project Equipment required to be made because of such removal shall be made by and at the sole cost and expense of JCMG PC, and during said 90-day (or extended) period JCMG PC shall bear the sole responsibility for and bear the sole risk of loss for said furniture, trade fixtures, machinery and equipment owned by JCMG PC and not constituting part of the Project Equipment. All furniture, trade fixtures, machinery and equipment owned by JCMG PC and which are not so removed from the Project Site before the expiration of said period shall be the separate and absolute property of the City. Notwithstanding the foregoing, if JCMG PC has paid all obligations due and owing under the Indenture (or such obligations have been canceled), this Lease and the Performance Agreement, the City shall convey the Project Equipment in accordance with **Section 11.2**.

Section 10.3. Right of Access to the Project Equipment. The City may conduct such periodic inspections of the Project Equipment as may be generally provided in the City's municipal code. In addition, JCMG PC agrees that the City and the Trustee and their duly authorized agents may, at

reasonable times during normal business hours and, except in the event of emergencies, upon not less than two Business Days' prior notice, subject to JCMG PC's usual business, proprietary, safety, confidentiality and security requirements, enter upon the Project Site (a) to examine and inspect the Project Equipment without interference or prejudice to JCMG PC's operations, (b) to monitor the acquisition and installation of the Project Equipment provided for in **Section 4.2** as may be reasonably necessary, (c) to examine all files, records, books and other materials in JCMG PC's possession pertaining to the acquisition, installation or maintenance of the Project Equipment, or (d) upon either (1) the occurrence and continuance of an Event of Default or (2) JCMG PC's failure to purchase the Project Equipment at the end of the Lease Term, to exhibit the Project Equipment to prospective purchasers, lessees or trustees.

Section 10.4. Financing Arrangements.

(a) Subject to **Sections 10.4(b)** and **(c)**, if no Event of Default under this Lease has happened and is continuing, the City agrees that it will execute and deliver and will cause and direct the Trustee in writing to execute and deliver any instrument necessary or appropriate to confirm and grant, release or terminate any sublease, license, or any such agreement or other arrangement, upon receipt by the City and the Trustee of: (1) a copy of the instrument of grant, release or termination or of the agreement or other arrangement, (2) a written application signed by an Authorized JCMG PC Representative requesting such instrument, and (3) a certificate executed by an Authorized JCMG PC Representative stating that such grant, release or termination is not detrimental to the proper conduct of the business of JCMG PC, will not impair the effective use or interfere with the efficient and economical operation of the Project Equipment, will not materially adversely affect the security intended to be given by or under the Indenture and will be a Permitted Encumbrance, and that JCMG PC will defend, indemnify and save and hold harmless the City from and against all claims, demands, costs, liabilities, damages or expenses, including attorneys' fees, arising from the execution and delivery of any instrument, agreement or other arrangement pursuant to this Section. If no Event of Default has happened and is continuing beyond any applicable grace period, any payments or other consideration received by JCMG PC for any such grant or with respect to or under any such agreement or other arrangement shall be and remain the property of JCMG PC; but, subject to **Sections 10.4(b)** and **(c)**, upon (A) termination of this Lease for any reason other than the redemption of the Bonds and/or the purchase of the Project Equipment by JCMG PC or (B) the occurrence and continuance of an Event of Default by JCMG PC, all rights then existing of JCMG PC with respect to or under such grant, agreement or other arrangement shall inure to the benefit of and be exercisable by the City and the Trustee.

(b) The City acknowledges and agrees that JCMG PC may finance and refinance its rights and interests in the Project Equipment, this Lease and the leasehold estate created hereby and, in connection therewith, JCMG PC may execute Financing Documents with one or more Financing Parties. Notwithstanding anything contained to the contrary in this Lease, JCMG PC may, at any time and from time to time, with prior notice to but without the consent of the City, (1) execute one or more Financing Documents upon the terms contained in this **Section 10.4** and (2) sublease or assign this Lease, the leasehold estate or any sublease and rights in connection therewith, and/or grant liens or security interests therein, to any Financing Party. Any further sublease or assignment by any Financing Party shall be subject to the provisions of **Section 13.1**.

(c) Upon notice by JCMG PC to the City in writing that JCMG PC has executed one or more Financing Documents under which it has granted rights in this Lease to a Financing Party, which includes the name and address of such Financing Party, then the following provisions shall apply in respect of each such Financing Party and any Financing Party existing as of the date of the execution and delivery hereof:

(1) there shall be no merger of this Lease or of the leasehold estate created hereby with legal title to the Project Equipment, notwithstanding that this Lease or said leasehold estate and said legal title shall be owned by the same Person or Persons, without the prior written consent of each such Financing Party;

(2) the City shall serve upon each such Financing Party (at the address, if any, provided to the City) a copy of each notice of the occurrence of an Event of Default and each notice of termination given to JCMG PC under this Lease, at the same time as such notice is served upon JCMG PC. No such notice to JCMG PC shall be effective unless a copy thereof is thus served upon each Financing Party;

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

(4) the City may exercise any of its rights or remedies with respect to any other Event of Default by JCMG PC, subject to the rights of the Financing Parties under this **Section 10.4(c)** as to such other Events of Default;

(5) upon the occurrence and continuance of an Event of Default by JCMG PC under this Lease, 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 and permitting each such Financing Party (or its 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 this Lease to effect said cure so long as the Financing Party (or its designee, nominee, assignee or transferee) is diligently prosecuting such cure); provided that the Financing Party (or its designee, nominee, assignee or transferee) shall pay or cause to be paid to the City and the Trustee all expenses, including reasonable attorneys' fees, court costs and disbursements incurred by the City or the Trustee in connection with any such default;

(6) each such Financing Party (and its designees, nominees, assignees or transferees) may enter the Project Site and possess and use the Project Equipment at such reasonable times and manner as are necessary or desirable to effectuate the remedies and enforce its respective rights under its respective Financing Documents;

(7) this Lease may not be modified, amended, canceled or surrendered by agreement between the City and JCMG PC, without prior written consent of each such Financing Party; and

(8) any Financing Party may on behalf of JCMG PC and without the consent of JCMG PC, but only after having first caused the redemption of the Bonds, exercise the right to purchase the Project Equipment pursuant to **Section 11.1**, upon compliance with the provisions of that Section. JCMG PC agrees that the City will have no liability for taking direction from any Financing Party in connection with a conveyance of the Project Equipment back to JCMG PC pursuant to **Article XI**.

(d) In connection with the execution of one or more Financing Documents and upon the request of JCMG PC, the City agrees to execute such documents as shall be reasonably requested by a Financing Party and which are usual and customary in connection with the closing of the financing or

refinancing pursuant to the Financing Documents. JCMG PC agrees to reimburse the City for any and all costs and expenses incurred by the City pursuant to this Section, including reasonable attorneys' fees and expenses, in complying with such request.

(e) JCMG PC's obligations under any Financing Document relating to the Project Equipment entered into after the date of execution of this Lease shall be subordinate to JCMG PC's obligations under this Lease.

Section 10.5. Indemnification of City and Trustee. JCMG PC shall defend, indemnify and save and hold harmless the City and the Trustee and their governing body members, officers, agents and employees from and against all claims, demands, costs, liabilities, damages or expenses, including attorneys' fees, by or on behalf of any Person, firm or corporation arising from the issuance of the Bonds and the execution of the Performance Agreement, this Lease (or any instrument requested by JCMG PC pursuant to **Section 10.4**) or the Indenture and from the conduct or management of, or from any work or thing done on the Project 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 Equipment, (b) any breach or default on the part of JCMG PC in the performance of any of its obligations under the Performance Agreement, this Lease, or any related document, (c) any contract entered into in connection with the purchase and installation of the Project Equipment (including mechanics' liens), (d) any act of negligence of JCMG PC or of any of its agents, contractors, servants, employees or licensees, (e) unless JCMG PC has been released from liability pursuant to **Section 13.1(c)**, any act of negligence of any assignee or sublessee of JCMG PC, or of any agents, contractors, servants, employees or licensees of any assignee or sublessee of JCMG PC, (f) obtaining any applicable state and local sales and use tax exemptions for materials or goods that become part of the Project Equipment, and (g) any violation of Section 107.170 of the Revised Statutes of Missouri; provided, however, the indemnification contained in this **Section 10.5** shall not extend to the City to the extent that such claims, demands, costs, liabilities, damages or expenses, including attorneys' fees, are the result of work being performed at the Project Site by employees of the City, and shall not extend to the City or the Trustee, as applicable, to the extent such claims, demands, costs, liabilities, damages or expenses, including attorneys' fees, are the result of willful misconduct by the City or the Trustee, respectively. Upon obtaining actual knowledge of the event giving rise to the indemnification contained in this **Section 10.5**, the City or the Trustee shall provide prompt written notice of any such claim or demand to JCMG PC; provided that failure to give such notice shall not affect the rights of the City or the Trustee to receive such indemnity. JCMG PC shall defend them or either of them in any such action or proceeding; provided, the City shall cooperate with JCMG PC and provide reasonable assistance in such defense. All costs related to the defense of the City or the Trustee shall be paid by JCMG PC. This **Section 10.5** shall survive any termination of the Performance Agreement and this Lease or the satisfaction and discharge of the Indenture.

Section 10.6. Depreciation and Other Tax Benefits. This Lease is intended to convey to JCMG PC all of the benefits and burdens of ownership and to cause JCMG PC to be treated as the owner of the Project Equipment for federal income tax purposes. The Trustee, JCMG PC and the City agree to treat this Lease in a manner consistent with such treatment. JCMG PC alone shall be entitled to all of the federal income tax attributes of ownership of the Project Equipment, including without limitation the right to claim depreciation, amortization deductions, investment tax credits or any other tax benefits. The City agrees that any depreciation, amortization deductions, investment tax credits or any other tax benefits with respect to the Project Equipment or any part thereof shall be made available to JCMG PC, and the City will fully cooperate with JCMG PC in any effort by JCMG PC to avail itself of any such depreciation, amortization deductions, investment tax credits or other tax benefits.

Section 10.7. JCMG PC to Maintain its Existence. JCMG PC agrees that until the Bonds are paid or payment is provided for in accordance with the terms of the Indenture, it will maintain its existence, and will not dissolve or otherwise dispose of all or substantially all of its assets; provided, however, that JCMG PC may, without violating the agreement contained in this Section, consolidate with or merge into another Person or permit one or more other Persons to consolidate with or merge into it, or may sell or otherwise transfer to another Person all or substantially all of its assets as an entirety and thereafter dissolve or convert into a different type of legal entity, if the surviving, resulting or transferee Person (a) expressly assumes in writing all of the obligations of JCMG PC contained in this Lease and (1) has a long-term debt rating or is controlled by or under common control with an entity with a long-term debt rating in any of the top three long-term debt rating categories of a nationally-recognized rating service or (2) is controlled by, under common control with or controls JCMG PC, or (b) is otherwise approved by the City Council. This Section does not limit JCMG PC's transfer rights under **Section 13.1**.

Section 10.8. Security Interests. The City and JCMG PC hereby authorize the Trustee to file all appropriate financing and continuation statements as may be required under the Uniform Commercial Code in order to fully preserve and protect the security of the Owners and the rights of the Trustee under the Indenture. Upon the written instructions of the Owners or pledgees of 100% of the Bonds then-Outstanding, the Trustee shall file all continuation instruments the Owners deem necessary to be filed and shall continue or cause to be continued such instruments for so long as the Bonds are Outstanding. The City and JCMG PC shall cooperate with the Trustee in this regard by providing such information as the Trustee may require to file or renew such statements. The Trustee shall maintain a file showing a description of all Project Equipment, said file to be compiled from information furnished to the Trustee pursuant to **Sections 4.2, 4.4** and **8.2** hereof.

ARTICLE XI

OPTION AND OBLIGATION TO PURCHASE THE PROJECT EQUIPMENT

Section 11.1. Option to Purchase the Project Equipment. JCMG PC shall have, and is hereby granted, the option to purchase all or any portion of the Project Equipment at any time, upon payment in full or redemption of the Outstanding Bonds to be redeemed or provision for their payment or redemption having been made pursuant to **Article XIII** of the Indenture. To exercise such option, JCMG PC shall (a) give written notice to the City and to the Trustee, and shall specify therein the date of closing of such purchase, which date shall be not less than 15 nor more than 90 days from the date such notice is mailed, (b) provide evidence of payment of all personal property taxes with respect to the Project Equipment, and (c) in case of a redemption of the Bonds in accordance with the provisions of the Indenture, JCMG PC shall make arrangements satisfactory to the Trustee for the giving of the required notice of redemption. Notwithstanding the foregoing, if the City or the Trustee provides notice of its intent to exercise its remedies hereunder upon an Event of Default (a **"Remedies Notice"**), JCMG PC shall be deemed to have exercised its purchase option under this Section on the 29th day following the issuance of the Remedies Notice without any further action by JCMG PC; provided said Remedies Notice has not been rescinded by such date (such option to take place on the 29th day following the issuance of the Remedies Notice). JCMG PC may rescind such exercise by providing written notice to the City and the Trustee on or before the 29th day and by taking such action as may be required to cure the default that led to the giving of the Remedies Notice. The purchase price payable by JCMG PC in the event of its exercise of the option granted in this Section shall be the sum of the following:

(1) an amount of money which, when added to the amount then on deposit in the Bond Fund, will be sufficient to redeem all or a portion of the then-Outstanding Bonds on the earliest redemption date next succeeding the closing date, including, without limitation, principal and interest to accrue to said redemption date and redemption expense, or JCMG PC, as sole Owner of the Bonds, can tender the Outstanding principal amount of the Bonds for cancellation with instructions that such tender is in lieu of payment of the amount sufficient to redeem the then-Outstanding Bonds as provided in **Section 11.5**; plus

(2) an amount of money equal to the Trustee's and the Paying Agent's agreed to and reasonable fees, charges and expenses under the Indenture accrued and to accrue until such redemption of the Bonds; plus

(3) an amount of money equal to the City's reasonable charges and expenses incurred in connection with JCMG PC exercising its option to purchase all or a portion of the Project Equipment; plus

(4) an amount of money equal to all payments due and payable pursuant to the Performance Agreement through the end of the calendar year in which the date of purchase occurs; plus

(5) the sum of $10.00.

Section 11.2. Conveyance of the Project Equipment. At the closing of the purchase of the Project Equipment pursuant to this Article, the City will upon receipt of the purchase price deliver to JCMG PC the following:

(a) a release from the Trustee of the Project Equipment from the lien and/or security interest of the Indenture and this Lease and appropriate termination of financing statements as required under the Uniform Commercial Code; and

(b) documents, including without limitation a bill of sale as to the Project Equipment, conveying to JCMG PC legal title to the Project Equipment, as it then exists, subject to the following: (1) those liens and encumbrances, if any, to which title to the Project Equipment was subject when conveyed to the City; (2) those liens and encumbrances created by JCMG PC or to the creation or suffering of which JCMG PC consented; (3) those liens and encumbrances resulting from the failure of JCMG PC to perform or observe any of the agreements on its part contained in this Lease; (4) Permitted Encumbrances other than the Indenture and this Lease; and (5) if the Project Equipment or any part thereof is being condemned, the rights and title of any condemning authority.

Section 11.3. Relative Position of Option and Indenture. The option to purchase the Project Equipment granted to JCMG PC in this Article shall be and remain prior and superior to the Indenture and may be exercised whether or not JCMG PC is in default under this Lease, provided that such option will not result in nonfulfillment of any condition to the exercise of any such option (including the payment of all amounts specified in **Section 11.1**) and further provided that the option herein granted shall terminate upon the termination of this Lease.

Section 11.4. Obligation to Purchase the Project Equipment. JCMG PC hereby agrees to purchase, and the City hereby agrees to sell, the Project Equipment upon the occurrence of (a) the

expiration of the Lease Term following full payment of the Bonds or provision for payment thereof having been made in accordance with the provisions of the Indenture, (b) payment of the sum of the items set forth in **Sections 11.1(1)-(5)**, (c) payment of all personal property taxes due with respect to the Project Equipment, and (d) the final payment due under the Performance Agreement. The amount of the purchase price under this Section shall be an amount sufficient to redeem all of the then-Outstanding Bonds, plus all payments due and payable pursuant to the Performance Agreement through the end of the calendar year in which the date of purchase occurs, plus accrued interest and the reasonable fees and expenses of the City and the Trustee.

Section 11.5. Right of Set-Off. At its option, to be exercised at least five days before the date of closing of such purchase under this **Article XI**, JCMG PC may deliver to the Trustee for cancellation Bonds not previously paid, and JCMG PC shall receive a credit against the purchase price payable by JCMG PC in an amount equal to 100% of the principal amount of the Bonds so delivered for cancellation, plus the accrued interest thereon. JCMG PC may set-off any payment obligation under this **Article XI** by tendering a corresponding amount of the Bonds to the Trustee for cancellation.

ARTICLE XII

DEFAULTS AND REMEDIES

Section 12.1. Events of Default. If any one or more of the following events occurs and is 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 within 10 days after written notice thereof from the City to JCMG PC and any Financing Party; or

(b) default in the due observance or performance of any other covenant, agreement, obligation or provision of this Lease on JCMG PC's part to be observed or performed, and such default continues for 60 days after the City or the Trustee has given JCMG PC and any Financing Party written notice specifying such default (or such longer period as is reasonably required to cure such default, provided that (1) JCMG PC or any Financing Party, as applicable, has commenced such cure within said 60-day period, and (2) JCMG PC or any Financing Party, as applicable, diligently prosecutes such cure to completion); or

(c) JCMG PC: (1) admits in writing its inability to pay its debts as they become due; or (2) files 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 files a pleading asking for such relief; or (3) makes an assignment for the benefit of creditors; or (4) consents to the appointment of a trustee, receiver or liquidator for all or a substantial portion of its property or fails to have the appointment of any trustee, receiver or liquidator made without JCMG PC's consent or acquiescence, vacated or set aside; or (5) is finally adjudicated as bankrupt or insolvent under any federal or state law; or (6) is subject to any proceeding, or suffers 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 substantial portion of its property or ordering the winding-up or liquidation of its affairs, or approving a petition filed against it under the United States Bankruptcy Code, as now or in the future amended, which order or proceeding, if not consented to by it, is not dismissed, vacated, denied, set aside or stayed within 90 days after the day of entry or commencement; or (7) suffers a writ or warrant of attachment or

any similar process to be issued by any court against all or any substantial portion of its property, and such writ or warrant of attachment or any similar process is not contested, stayed or released within 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) an Event of Default on the part of JCMG PC under the Performance Agreement, as defined in **Section 6.1** thereof.

The Trustee shall give each Financing Party notice of the occurrence of any Event of Default of which the Trustee has notice pursuant to the terms of the Indenture. Any Financing Party may, at its election, but shall have no obligation to, cure such Event of Default.

Section 12.2. Remedies on Default.

(a) If any Event of Default referred to in **Section 12.1** has occurred and continues beyond the period provided to cure, then the City may at the City's election (subject, however, to any restrictions against acceleration of the maturity of the Bonds or termination of this Lease in the Indenture), then or at any time thereafter, and while such default continues, take any one or more of the following actions, in addition to the remedies provided in **Section 12.5**:

(1) cause all amounts payable with respect to the Bonds for the remainder of the term of this Lease to become due and payable, as provided in the Indenture; or

(2) give JCMG PC written notice of intention to terminate this Lease on a date specified therein, which date shall not be earlier than 60 days after such notice is given, and if all defaults have not then been cured, on the date so specified, the Owners shall tender or be deemed to have tendered the Outstanding principal amount of the Bonds for cancellation with instruction that such tender is in lieu of payment in accordance with **Section 11.5**, JCMG PC's rights to possession of the Project Equipment shall cease and this Lease shall thereupon be terminated, and the City may re-enter and take possession of the Project Equipment, or the City may convey the Project Equipment to JCMG PC and bring an action against JCMG PC for the purchase price of the Project Equipment under **Section 11.1**; provided, however, if JCMG PC has paid all obligations due and owing under the Indenture, this Lease, and the Performance Agreement, the City shall convey the Project Equipment in accordance with **Section 11.2**. JCMG PC's rights to cause the conveyance of the Project Equipment in accordance with **Section 11.2** shall survive the expiration or termination of this Lease.

(b) If the City defaults on any of its obligations under this Lease, JCMG PC's sole remedy for such default shall be to sue for specific performance of this Lease.

Section 12.3. Survival of Obligations. JCMG PC covenants and agrees with the City and the Owners that its obligations under this Lease shall survive the cancellation and termination of this Lease, for any cause, and that JCMG PC shall continue to pay the Basic Rent and Additional Rent (to the extent the Bonds remain Outstanding) and perform all other obligations provided for in this Lease, all at the time or times provided in this Lease; provided, however, that upon (a) the payment of all Basic Rent and Additional Rent required under **Article V**, (b) the satisfaction and discharge of the Indenture under **Section 1301** thereof, and (c) JCMG PC's exercise of the purchase option contained in **Article XI**, JCMG PC's obligations under this Lease shall thereupon cease and terminate in full, except that the indemnification contained in **Article X** and the obligations with respect to compensation of the City and the Trustee shall not so terminate.

Section 12.4. Performance of JCMG PC's Obligations by the City. Upon an Event of Default, the City, or the Trustee in the City's name, may (but shall not be obligated so to do) upon the continuance of such failure on JCMG PC's part for 60 days after written notice of such failure is given to JCMG PC by the City or the Trustee, and without waiving or releasing JCMG PC from any obligation hereunder, as an additional but not exclusive remedy, make any such payment or perform any such obligation, and all reasonable sums so paid by the City or the Trustee and all necessary incidental reasonable costs and expenses incurred by the City or the Trustee (including, without limitation, attorneys' fees and expenses) in performing such obligation shall be deemed Additional Rent and shall be paid to the City or the Trustee on demand, and if not so paid by JCMG PC, the City or the Trustee shall have the same rights and remedies provided for in **Section 12.2** in the case of default by JCMG PC in the payment of Basic Rent.

Section 12.5. Rights and Remedies Cumulative. The rights and remedies reserved by the City and JCMG PC hereunder are in addition to those otherwise provided by law and 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 JCMG PC 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 the availability of an adequate remedy at law, and each party hereby waives the right to raise such defense in any proceeding in equity. Notwithstanding anything in this **Section 12.5** or elsewhere in this Lease to the contrary, however, JCMG PC's option to purchase the Project Equipment as provided in **Article XI** hereof shall not be terminated upon an Event of Default unless and until this Lease is terminated to the extent permitted pursuant to **Section 12.2** hereof. The parties agree that no provision of this Lease shall be construed to allow the City to require JCMG PC to acquire or install the Project Equipment or to retain or create jobs.

Section 12.6. Waiver of Breach. No waiver of any breach of any covenant or agreement herein contained 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 of any covenant, agreement or undertaking by JCMG PC, the City may nevertheless accept from JCMG PC any payment or payments hereunder without in any way waiving the City's right to exercise any of its rights and remedies provided for herein with respect to any such default or defaults of JCMG PC which were in existence at the time such payment or payments were accepted by the City.

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

ARTICLE XIII

ASSIGNMENT AND SUBLEASE

Section 13.1. Assignment; Sublease.

(a) JCMG PC may sublease, assign, transfer, encumber or dispose of this Lease or any interest herein or part hereof for any lawful purpose under the Act, and sublease, license or otherwise

grant rights to use the Project Equipment upon providing written notice to the City. Except as otherwise provided in this Section or in **Section 10.**4 hereof, JCMG PC must obtain the City's prior written consent to any such disposition, unless such disposition is (1) to an entity controlled by or under common control with or controlling JCMG PC, (2) to an entity into which JCMG PC is being merged or consolidated, or (3) an assignment to any Financing Party.

(b) With respect to any assignment, JCMG PC shall comply with the following conditions:

(1) JCMG PC shall notify the City and the Trustee of the assignment in writing;

(2) such assignment shall be in writing, duly executed and acknowledged by the assignor and in proper form for recording;

(3) such assignment shall include the entire then unexpired term of this Lease; and

(4) a duplicate original of such assignment shall be delivered to the City and the Trustee within 10 days after the execution thereof, together with an assumption agreement, duly executed and acknowledged by the assignee and in proper form for recording, by which the assignee shall assume all of the terms, covenants and conditions of this Lease on the part of JCMG PC to be performed and observed.

(c) Any assignee of all the rights of JCMG PC shall agree to be bound by the terms of this Lease, the Performance Agreement and any other documents related to the issuance of the Bonds to which JCMG PC is a party. Upon such assignment of all the rights of JCMG PC and agreement by the assignee to be bound by the terms of this Lease, the Performance Agreement and any other documents related to the issuance of the Bonds to which JCMG PC is a party, JCMG PC shall be released from and have no further obligations under this Lease, the Performance Agreement or any other documents related to the issuance of the Bonds.

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 JCMG PC hereby consents to such pledge and assignment.

Section 13.3. Restrictions on Sale or Encumbrance of Project Equipment by City. During the Lease Term, the City agrees that, except to secure the Bonds to be issued pursuant to the Indenture and except to enforce its rights under **Section 12.2**, it will not sell, assign, encumber, mortgage, transfer or convey the Project Equipment or any interest therein.

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 issuance of the Bonds and before the payment in full of the Bonds (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, altered or terminated without the prior written consent of the Trustee, given in accordance with the provisions of the Indenture, which consent, however, shall not be unreasonably withheld, and the written consent of all of the Owners

and any Financing Party.

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:

(1) To the City:

City of Jefferson, Missouri
320 East McCarty Street
Jefferson City, Missouri 65101
Attention: City Administrator

with a copy to:

City Counselor
City of Jefferson, Missouri
320 East McCarty Street
Jefferson City, Missouri 65101

(2) To the Trustee:

BOKF, N.A.
200 North Broadway, Suite 1710
St. Louis, Missouri 63102
Attention: Corporate Trust Department

(3) To JCMG PC:

Jefferson City Medical Group
1241 W. Stadium Boulevard
Jefferson City, Missouri 65109
Attention: Chief Financial Officer

with a copy to:

Gibbs Pool and Turner, P.C.
3225 Emerald Lane, Suite A

Jefferson City, Missouri
Attention: Hallie. H. Gibbs

All notices given by certified or registered mail as aforesaid shall be deemed fully given as of the date they are so mailed, provided, however, that notice to the Trustee shall be effective only upon receipt. A duplicate copy of each notice, certificate or other communication given hereunder by either the City or JCMG PC to the other shall also be given to the Trustee. The City, JCMG PC and the Trustee may from time to time designate, by notice given hereunder to the others of such parties, such other addresses to which subsequent notices, certificates or other communications shall be sent.

Section 15.2. City Shall Not Unreasonably Withhold Consents and Approvals. Wherever in this Lease it is provided that the City shall, may or must give its approval or consent, or execute supplemental agreements or schedules, the City shall not unreasonably, arbitrarily or unnecessarily withhold or refuse to give such approvals or consents or refuse to execute such supplemental agreements or schedules; provided, however, that nothing in this Lease shall be interpreted to affect the City's rights to approve or deny any additional project or matter unrelated to the Project Equipment, and the Project Equipment remains subject to zoning, building permit or other regulatory approvals by the City.

Section 15.3. 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 becomes 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, JCMG PC shall be obligated to pay, and it 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 JCMG PC 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 JCMG PC.

Section 15.4. Limitation on Liability of City. No provision, covenant or agreement contained in this Lease, the Indenture or the Bonds, 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 the State of Missouri.

Section 15.5. Governing Law. This Lease shall be construed in accordance with and governed by the laws of the State of Missouri.

Section 15.6. Binding Effect. This Lease shall be binding upon and shall inure to the benefit of the City and JCMG PC and their respective successors and assigns.

Section 15.7. Severability. If for any reason any provision of this Lease shall be determined to be invalid or unenforceable, the validity and enforceability of the other provisions hereof shall not be affected thereby.

Section 15.8. Execution in Counterparts. This Lease may be executed in several counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument.

Section 15.9. Electronic Transaction. The parties agree that the transaction described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 15.10. City Consent and Approvals. Pursuant to the Ordinance, the Mayor is authorized to execute all documents on behalf of the City (including documents pertaining to the transfer of property or the financing or refinancing of the Project Equipment by JCMG PC and such and similar documents as may be requested by JCMG PC) as may be required to carry out and comply with the intent of the Ordinance, the Indenture and this Lease. The Mayor is also authorized, unless expressly prohibited herein, to grant on behalf of the City such consents, estoppels and waivers relating to the Bonds, the Indenture, this Lease, or the Performance Agreement as may be requested during the term hereof; provided, such consents, estoppels and/or waivers shall not increase the principal amount of the Bonds, increase the term of this Lease or adversely affect the tax exemption as provided for herein, waive an Event of Default or materially change the nature of the transaction unless approved by the City Council.

Section 15.11. Anti-Discrimination Against Israel Act. Pursuant to Section 34.600 of the Revised Statutes of Missouri, JCMG PC certifies it is not currently engaged in and shall not, for the duration of this Lease, engage in a boycott of goods or services from (a) the State of Israel, (b) companies doing business in or with the State of Israel or authorized by, licensed by or organized under the laws of the State of Israel or (c) persons or entities doing business in the State of Israel.

[Remainder of Page Intentionally Left Blank]

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 JEFFERSON, MISSOURI

By: _____
Name: Carrie Tergin
Title: Mayor

[SEAL]

ATTEST:

By: _____
Name: Emily Donaldson
Title: City Clerk

JEFFERSON CITY MEDICAL GROUP, P.C.,
a Missouri professional corporation

By: _____
Name: _____
Title: _____

EXHIBIT A

PROJECT SITE

The real property located in Cole County, Missouri, upon which the Project Equipment is located or will be located, as more specifically described below:

EXHIBIT B

FORM OF REQUISITION CERTIFICATE

Requisition No. _____
Date: _____

REQUISITION CERTIFICATE

TO: BOKF, N.A., AS TRUSTEE UNDER A PERSONAL PROPERTY TRUST INDENTURE DATED AS OF DECEMBER 1, 2022, BETWEEN THE CITY OF JEFFERSON, MISSOURI, AND THE TRUSTEE, AND THE PERSONAL PROPERTY LEASE AGREEMENT DATED AS OF DECEMBER 1, 2022, BETWEEN THE CITY OF JEFFERSON, MISSOURI, AND JEFFERSON CITY MEDICAL GROUP, PC..

The undersigned Authorized JCMG PC Representative hereby states and certifies that:

1. A total of $_____ is requested to pay for Project Costs of the Project Equipment. The total amount of this requisition and all prior requisitions for Project Costs is as follows:

Date of Project Costs	***Amount Submitted in this Requisition***	***Requisitions Submitted to Date (Including this Requisition)***

2. A total of $_____ has been requested to pay for all Project Costs to date, including the Project Costs listed above, which amount is less than $2,100,000.

3. Said Project Costs shall be paid in whole from Bond proceeds in such amounts, to such payees and for such purposes as set forth on **Schedule 1** hereto.

4. Set forth on **Schedule 2** hereto is a description of the Project Equipment acquired, which is being paid for in whole from Bond proceeds pursuant to this Requisition Certificate. Attached hereto as **Exhibit A** is the Bill of Sale transferring said Project Equipment to the City.

5. Each of the items for which payment is requested are or were desirable and appropriate in connection with the purchase and installation of the Project Equipment, have been properly incurred and are a proper charge against the Project Fund, have been paid by JCMG PC or are justly due to the Persons whose names and addresses are stated on **Schedule 1** and have not been the basis of any previous requisition from the Project Fund.

6. As of this date, except for the amounts referred to above, to the best of my knowledge there are no outstanding disputed statements for which payment is requested for labor, wages, materials, supplies or services in connection with the purchase and installation of the Project Equipment which, if

unpaid, might become the basis of a vendor's, mechanic's, laborer's or materialman's statutory or similar lien upon the Project Equipment or any part thereof.

7. Capitalized words and terms used in this Requisition Certificate have the meanings given to such words and terms in **Section 101** of the Personal Property Trust Indenture.

JEFFERSON CITY MEDICAL GROUP, P.C.

By: _____
Authorized JCMG PC Representative

Approved this _____ day of _____, 20___.

CITY OF JEFFERSON, MISSOURI

By: _____
Authorized City Representative

SCHEDULE 1 TO REQUISITION CERTIFICATE

PROJECT COSTS

Payee and Address	Description	Amount

SCHEDULE 2 TO REQUISITION CERTIFICATE

PROJECT EQUIPMENT

Item (Description)	Serial, Identification or Account Number	Taxable Cost of Equipment	Non-Taxable Cost of Equipment

EXHIBIT A TO REQUISITION CERTIFICATE

BILL OF SALE

JEFFERSON CITY MEDICAL GROUP, P.C., a Missouri professional corporation (**"Seller"**), in connection with that certain Personal Property Lease Agreement dated as of December 1, 2022 (the **"Lease Agreement"**), between Seller and the **CITY OF JEFFERSON, MISSOURI**, a home rule charter city and political subdivision organized and existing under the laws of the State of Missouri ("Buyer"), for and in consideration of the sum of ten dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has **BARGAINED** and **SOLD**, and by these presents does now **GRANT** and **CONVEY**, unto Buyer and its successors and assigns, all of its right, title and interest in and to all machinery, equipment and other personal property shown on **Exhibit A** hereto, installed within the "Project Improvements" and constituting a portion of the "Project Equipment," as such terms are defined in the Lease Agreement.

TO HAVE AND TO HOLD the same unto Buyer, its successors and assigns, subject however to the terms of the Lease Agreement and those security interests, liens and/or encumbrances as therein set forth.

The property is being conveyed "AS IS," "WHERE IS" and "WITH ALL FAULTS" as of the date of this Bill of Sale, without any representation or warranty whatsoever as to its condition, fitness for any particular purpose, merchantability or any other warranty, express or implied.

IN WITNESS WHEREOF, Seller has caused this Bill of Sale to be executed in its name by its duly authorized officer this _____ day of _____, 20___.

JEFFERSON CITY MEDICAL GROUP, P.C.

By: _____
Authorized JCMG PC Representative

EXHIBIT A TO BILL OF SALE

PROJECT EQUIPMENT

Item (Description)	Serial, Identification or Account Number

$15,700,000
(AGGREGATE MAXIMUM PRINCIPAL AMOUNT)
CITY OF JEFFERSON, MISSOURI
TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BONDS
(JCMG – REAL PROPERTY PROJECT)
SERIES 2022

REAL PROPERTY BOND PURCHASE AGREEMENT

Dated as of December 1, 2022

City of Jefferson, Missouri
320 East McCarty Street
Jefferson City, Missouri 65101

Ladies and Gentlemen:

On the basis of the representations and covenants and upon the terms and conditions contained in this Real Property Bond Purchase Agreement (the **"Agreement"**), JCMG Investment, LLC, a Missouri limited liability company (the **"Purchaser"**), offers to purchase from the City of Jefferson, Missouri (the **"City"**), the above-referenced bonds (the **"Bonds"**), to be issued by the City under and pursuant to Ordinance No. [_____] passed by the City Council of the City on December 19, 2022 (the **"Ordinance"**) and a Real Property Trust Indenture dated as of December 1, 2022 (the **"Indenture"**) by and between the City and BOKF, N.A., as trustee (the **"Trustee"**). *Capitalized terms not otherwise defined herein shall have the meanings set forth in* ***Section 101*** *of the Indenture.*

SECTION 1. REPRESENTATIONS AND AGREEMENTS

(a) By the City's acceptance hereof, the City hereby represents to the Purchaser that:

(1) The City is a home rule charter city duly organized and validly existing under the laws of the State of Missouri. The City is authorized pursuant to Article VI, Section 27(b) of the Missouri Constitution, Sections 100.010 through 100.200 of the Revised Statutes of Missouri, as amended, the City Charter and the ordinances and resolutions 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 Ordinance, this Agreement, the Indenture, the Real Property Lease Agreement dated as of December 1, 2022 (the **"Lease"**), by and between the City, as lessor, and the Purchaser, as lessee, the Performance Agreement dated as of December 1, 2022 (the **"Performance Agreement"**), by and between the City, the Purchaser and Jefferson City Medical Group, P.C., a Missouri professional corporation (**"JCMG PC"**), and any and all other agreements relating thereto. The proceeds of the Bonds shall be used for the purpose of purchasing the Project Site and constructing the Project Improvements and paying the costs incurred in connection with the issuance of the Bonds.

(2) There is no controversy, suit or other proceeding of any kind pending and served or, to the City's knowledge, threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the City or its boundaries, or the right or title of any of its 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 Ordinance, the Lease, the Indenture, the Performance Agreement or this Agreement.

(b) The Purchaser represents as follows:

(1) *Organization*. The Purchaser is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Missouri.

(2) *No Conflict or Breach*. The execution, delivery and performance of this Agreement by the Purchaser has been duly authorized by all necessary action of the Purchaser and does 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, its organizational documents, any law, court or administrative regulation, decree or order applicable to or binding upon the Purchaser, or, to the best of its knowledge, any agreement, indenture, mortgage, lease or instrument to which the Purchaser is a party or by which it is bound.

(3) *Document Legal, Valid and Binding*. When executed and delivered by the Purchaser, this Agreement will be, and is, a legal, valid and binding obligation, enforceable in accordance with its 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.

(4) *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 the Purchaser to the City as to the statements made therein.

SECTION 2. PURCHASE, SALE AND DELIVERY OF THE BONDS

(a) On the basis of the representations and covenants contained herein and in the other agreements referred to herein, and subject to the terms and conditions set forth herein 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.

(b) The Bonds shall be sold to the Purchaser by the City on the Closing Date (hereinafter defined) upon payment of an amount equal to the Closing Price (hereinafter defined), which amount shall be applied as provided in the Indenture and the Lease. From time to time after the Closing Date, the Purchaser shall make additional payments with respect to the Bonds ("**Additional Payments"**) to the Trustee under the Indenture, which Additional Payments shall be applied to the payment or reimbursement of Project Costs or as provided in the Indenture and the Lease; provided that the sum of the Closing Price and all such Additional Payments shall not, in the aggregate, exceed $15,700,000 plus the costs of issuance of the Bonds (if such costs of issuance are not paid with Bond proceeds).

(c) As used herein, the term **"Closing Date"** shall mean December [____], 2022, or such other date as shall be mutually agreed upon by the City and the Purchaser; the term **"Closing Price"** shall mean the amount specified in writing by the Purchaser and agreed to by the City as the amount required to pay for the initial issuance of the Bonds on the Closing Date, which amount may consist of all or a portion of the Project Costs spent by the Purchaser, or by JCMG PC on behalf of the Purchaser, from its own funds on or before the Closing Date and, at the Purchaser's option, the costs of issuance of the Bonds if such costs are not paid from Bond proceeds. The Closing Price shall be transferred to the Trustee on

the Closing Date to the extent not represented by paid invoices presented to the Trustee on the Closing Date.

(d) The Bonds shall be issued under and secured as provided in the Ordinance, the Indenture and the Lease authorized thereby 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 fully-registered bond in the maximum aggregate principal denomination of $15,700,000; provided, that the principal amount of the Bonds outstanding at any time shall be that amount recorded in the records of the Trustee, absent manifest error, and further provided that interest shall be payable on the Bonds only on the outstanding principal amount of the Bonds, as more fully provided in the Indenture.

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

(f) 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 in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Indemnified Parties. The Purchaser shall not be liable for any settlement of any such action effected without its 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, then provided that the Purchaser was given prompt written notice and the ability to assume the defense thereof as required by this paragraph, the Purchaser agrees to indemnify and hold harmless the Indemnified Parties to the extent provided herein.

SECTION 3. CONDITIONS TO THE OBLIGATIONS

The obligations hereunder 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 hereof and as of the Closing Date, 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 certified copy of the Ordinance, the Indenture, the Lease, the Performance Agreement, this 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 on the Closing Date 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 and served or, to its knowledge, threatened against the City 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) The Purchaser shall execute a certificate, dated the Closing Date, to the effect that (1) no litigation, proceeding or investigation is pending against the Purchaser or its 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 Bonds, or (B) in any way contest the corporate existence or powers of the Purchaser, (2) no litigation, proceeding or investigation is pending or, to the knowledge of the Purchaser, threatened against the Purchaser that could reasonably be expected to adversely affect its ability to perform its obligations hereunder or under the Lease or the Performance Agreement, (3) the representations and warranties of the Purchaser herein were and are true and correct in all material respects and not misleading as of the date made and as of the Closing Date, and (4) such other matters as are reasonably requested by the City or the Trustee in connection with the issuance of the Bonds.

SECTION 4. THE PURCHASER'S RIGHT TO CANCEL

The Purchaser may cancel its obligation hereunder to purchase the Bonds by notifying the City in writing of its election to make such cancellation at any time prior to the Closing Date, provided that the Purchaser has obtained the prior written consent of JCMG PC and delivers such consent to the City in 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 (if one is requested), with respect to the validity of the authorization and issuance of the Bonds.

SECTION 6. REPRESENTATIONS AND AGREEMENTS TO SURVIVE DELIVERY

All of the representations and agreements by either party shall remain operative and in full force and effect, and shall survive delivery of the Bonds to the Purchaser.

SECTION 7. PAYMENT OF EXPENSES

The Purchaser shall pay all reasonable expenses and costs to effect the authorization, preparation, issuance, delivery and sale of the Bonds. To the best of the City's knowledge and belief, the only expenses payable by the Purchaser in connection with the issuance of the Bonds are the following: (a) the legal fees of Gilmore & Bell, P.C., as Bond Counsel to the City, in the amount of $[_____] (which includes the bond counsel fee plus a fee for the preparation of the cost-benefit analysis required by the plan for industrial development) and (b) the Trustee's initial acceptance fee ($1,000.00) and first year's administrative fee ($1,500.00) totaling $2,500.00.

SECTION 8. NOTICE

Any notice or other communication to be given under this Agreement may be given in writing by mailing or delivering the same as follows:

(a) To the City:

City of Jefferson, Missouri
320 East McCarty Street
Jefferson City, Missouri 65101
Attention: City Administrator
Phone: (573) 634-6306

with a copy to:

City Counselor
City of Jefferson, Missouri
320 East McCarty Street
Jefferson City, Missouri 65101
Phone: (573) 634-6570

(b) To the Trustee:

BOKF, N.A.
200 North Broadway, Suite 1710
St. Louis, Missouri 63102
Attention: Corporate Trust Department

(c) To the Purchaser (or JCMG PC):

Jefferson City Medical Group, P.C.
1241 W. Stadium Boulevard
Jefferson City, Missouri 65109
Attention: Chief Financial Officer

with a copy to:

Gibbs Pool and Turner, P.C.
3225 Emerald Lane, Suite A
Jefferson City, Missouri 65109
Attention: Hallie H. Gibbs, II
Phone: (573) 636-2614

SECTION 9. APPLICABLE LAW; ASSIGNABILITY

This Agreement shall be governed by the laws of the State of Missouri. This Agreement may be assigned by the Purchaser, in whole or in part, as to all or any part of the Bonds to any Person that expressly assumes in writing all of the obligations of the Purchaser contained in the Lease; provided that the consent of the City for the assignment of this Agreement shall not be required if the consent of the City is not required for such Person's assumption of the Lease under the provisions of **Article XIII** thereof. Any such assignee shall agree to be bound by the terms of this Agreement. This Agreement may be assigned, without approval of, but with notice to the City, by the Purchaser to any lender of the Purchaser as collateral for a loan secured by the Real Property and the Bonds may be pledged, without approval of the City, by the Purchaser to any lender of the Purchaser as collateral for a loan secured by the Real Property.

SECTION 10. EXECUTION IN COUNTERPARTS

This 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.

SECTION 11. ELECTRONIC STORAGE

The parties agree that the transaction described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

SECTION 12. ANTI-DISCRIMINATION AGAINST ISRAEL ACT

Pursuant to Section 34.600 of the Revised Statutes of Missouri, the Purchaser certifies that it is not currently engaged in and will not, for the duration of this Agreement, engage in a boycott of goods or services from (a) the State of Israel, (b) companies doing business in or with the State of Israel or authorized by, licensed by, or organized under the laws of the State of Israel, or (c) persons or entities doing business in the State of Israel.

[Remainder of Page Intentionally Left Blank]

Very truly yours,

Date of Execution:

December ___, 2022

JCMG INVESTMENT, LLC,
as Purchaser

By: _____
Name: _____
Title: _____

Accepted and Agreed to this _____ day of December, 2022.

CITY OF JEFFERSON, MISSOURI

By: _____
Name: Carrie Tergin
Title: Mayor

[SEAL]

ATTEST:

By: _____
Name: Emily Donaldson
Title: City Clerk

$2,100,000
(AGGREGATE MAXIMUM PRINCIPAL AMOUNT)
CITY OF JEFFERSON, MISSOURI
TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BONDS
(JCMG – PERSONAL PROPERTY PROJECT)
SERIES 2022

PERSONAL PROPERTY BOND PURCHASE AGREEMENT

Dated as of December 1, 2022

City of Jefferson, Missouri
320 East McCarty Street
Jefferson City, Missouri 65101

Ladies and Gentlemen:

On the basis of the representations and covenants and upon the terms and conditions contained in this Personal Property Bond Purchase Agreement (the **"Agreement"**), Jefferson City Medical Group, P.C., a Missouri professional corporation (the **"Purchaser"**), offers to purchase from the City of Jefferson, Missouri (the **"City"**), the above-referenced bonds (the **"Bonds"**), to be issued by the City under and pursuant to Ordinance No. [_____] passed by the City Council of the City on December 19, 2022 (the **"Ordinance"**) and a Personal Property Trust Indenture dated as of December 1, 2022 (the **"Indenture"**) by and between the City and BOKF, N.A., as trustee (the **"Trustee"**). *Capitalized terms not otherwise defined herein shall have the meanings set forth in* ***Section 101*** *of the Indenture.*

SECTION 1. REPRESENTATIONS AND AGREEMENTS

(a) By the City's acceptance hereof, the City hereby represents to the Purchaser that:

(1) The City is a home rule charter city duly organized and validly existing under the laws of the State of Missouri. The City is authorized pursuant to Article VI, Section 27(b) of the Missouri Constitution, Sections 100.010 through 100.200 of the Revised Statutes of Missouri, as amended, the City Charter and the ordinances and resolutions 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 Ordinance, this Agreement, the Indenture, the Personal Property Lease Agreement dated as of December 1, 2022 (the **"Lease"**), by and between the City, as lessor, and the Purchaser, as lessee, the Performance Agreement dated as of December 1, 2022 (the **"Performance Agreement"**), among the City, the Purchaser and JCMG Investment, LLC, a Missouri limited liability company (**"JCMG Investment"**), and any and all other agreements relating thereto. The proceeds of the Bonds shall be used for the purpose of acquiring and installing the Project Equipment and paying the costs incurred in connection with the issuance of the Bonds.

(2) There is no controversy, suit or other proceeding of any kind pending and served or, to the City's knowledge, threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the City or its boundaries, or the right or title of any of its 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 Ordinance, the Lease, the Indenture, the Performance Agreement or this Agreement.

(b) The Purchaser represents as follows:

(1) *Organization*. The Purchaser is a professional corporation duly organized, validly existing and in good standing under the laws of the State of Missouri.

(2) *No Conflict or Breach*. The execution, delivery and performance of this Agreement by the Purchaser has been duly authorized by all necessary action of the Purchaser and does 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, its organizational documents, any law, court or administrative regulation, decree or order applicable to or binding upon the Purchaser, or, to the best of its knowledge, any agreement, indenture, mortgage, lease or instrument to which the Purchaser is a party or by which it is bound.

(3) *Document Legal, Valid and Binding*. When executed and delivered by the Purchaser, this Agreement will be, and is, a legal, valid and binding obligation, enforceable in accordance with its 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.

(4) *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 the Purchaser to the City as to the statements made therein.

SECTION 2. PURCHASE, SALE AND DELIVERY OF THE BONDS

(a) On the basis of the representations and covenants contained herein and in the other agreements referred to herein, and subject to the terms and conditions set forth herein 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.

(b) The Bonds shall be sold to the Purchaser by the City on the Closing Date (hereinafter defined) upon payment of an amount equal to the Closing Price (hereinafter defined), which amount shall be applied as provided in the Indenture and the Lease. From time to time after the Closing Date, the Purchaser shall make additional payments with respect to the Bonds ("**Additional Payments"**) to the Trustee under the Indenture, which Additional Payments shall be applied to the payment or reimbursement of Project Costs or as provided in the Indenture and the Lease; provided that the sum of the Closing Price and all such Additional Payments shall not, in the aggregate, exceed $2,100,000 plus the costs of issuance of the Bonds (if such costs of issuance are not paid with Bond proceeds).

(c) As used herein, the term **"Closing Date"** shall mean December [____], 2022, or such other date as shall be mutually agreed upon by the City and the Purchaser; the term **"Closing Price"** shall mean the amount specified in writing by the Purchaser and agreed to by the City as the amount required to pay for the initial issuance of the Bonds on the Closing Date, which amount may consist of all or a portion of the Project Costs spent by the Purchaser from its own funds on or before the Closing Date and, at the Purchaser's option, the costs of issuance of the Bonds if such costs are not paid from Bond

proceeds. The Closing Price shall be transferred to the Trustee on the Closing Date to the extent not represented by paid invoices presented to the Trustee on the Closing Date.

(d) The Bonds shall be issued under and secured as provided in the Ordinance, the Indenture and the Lease authorized thereby 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 fully-registered bond in the maximum aggregate principal denomination of $2,100,000; provided, that the principal amount of the Bonds outstanding at any time shall be that amount recorded in the records of the Trustee, absent manifest error, and further provided that interest shall be payable on the Bonds only on the outstanding principal amount of the Bonds, as more fully provided in the Indenture.

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

(f) 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 in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Indemnified Parties. The Purchaser shall not be liable for any settlement of any such action effected without its 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, then provided that the Purchaser was given prompt written notice and the ability to assume the defense thereof as required by this paragraph, the Purchaser agrees to indemnify and hold harmless the Indemnified Parties to the extent provided herein.

SECTION 3. CONDITIONS TO THE OBLIGATIONS

The obligations hereunder 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 hereof and as of the Closing Date, 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 certified copy of the Ordinance, the Indenture, the Lease, the Performance Agreement, this 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 on the Closing Date 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 and served or, to its knowledge, threatened against the City 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) The Purchaser shall execute a certificate, dated the Closing Date, to the effect that (1) no litigation, proceeding or investigation is pending against the Purchaser or its 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 Bonds, or (B) in any way contest the corporate existence or powers of the Purchaser, (2) no litigation, proceeding or investigation is pending or, to the knowledge of the Purchaser, threatened against the Purchaser that could reasonably be expected to adversely affect its ability to perform its obligations hereunder or under the Lease or the Performance Agreement, (3) the representations and warranties of the Purchaser herein were and are true and correct in all material respects and not misleading as of the date made and as of the Closing Date, and (4) such other matters as are reasonably requested by the City or the Trustee in connection with the issuance of the Bonds.

SECTION 4. THE PURCHASER'S RIGHT TO CANCEL

The Purchaser may cancel its obligation hereunder to purchase the Bonds by notifying the City in writing of its election to make such cancellation at any time prior to the Closing Date.

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 (if one is requested), with respect to the validity of the authorization and issuance of the Bonds.

SECTION 6. REPRESENTATIONS AND AGREEMENTS TO SURVIVE DELIVERY

All of the representations and agreements by either party shall remain operative and in full force and effect, and shall survive delivery of the Bonds to the Purchaser.

SECTION 7. PAYMENT OF EXPENSES

The Purchaser shall pay all reasonable expenses and costs to effect the authorization, preparation, issuance, delivery and sale of the Bonds. To the best of the City's knowledge and belief, the only expenses payable by the Purchaser in connection with the issuance of the Bonds are the following: (a) the legal fees of Gilmore & Bell, P.C., as Bond Counsel to the City, in the amount of $[_____] (which includes the bond counsel fee plus a fee for the preparation of the cost-benefit analysis required by the plan for industrial development) and (b) the Trustee's initial acceptance fee ($1,000.00) and first year's administrative fee ($1,500.00) totaling $2,500.00.

SECTION 8. NOTICE

Any notice or other communication to be given under this Agreement may be given in writing by mailing or delivering the same as follows:

(a) To the City:

City of Jefferson, Missouri
320 East McCarty Street
Jefferson City, Missouri 65101
Attention: City Administrator
Phone: (573) 634-6306

with a copy to:

City Counselor
City of Jefferson, Missouri
320 East McCarty Street
Jefferson City, Missouri 65101
Phone: (573) 634-6570

(b) To the Trustee:

BOKF, N.A.
200 North Broadway, Suite 1710
St. Louis, Missouri 63102
Attention: Corporate Trust Department

(c) To the Purchaser (or JCMG Investment):

Jefferson City Medical Group, P.C.
1241 W. Stadium Boulevard
Jefferson City, Missouri 65109
Attention: Chief Financial Officer

with a copy to:

Gibbs Pool and Turner, P.C.
3225 Emerald Lane, Suite A
Jefferson City, Missouri 65109
Attention: Hallie H. Gibbs, II
Phone: (573) 636-2614

SECTION 9. APPLICABLE LAW; ASSIGNABILITY

This Agreement shall be governed by the laws of the State of Missouri. This Agreement may be assigned by the Purchaser, in whole or in part, as to all or any part of the Bonds to any Person that expressly assumes in writing all of the obligations of the Purchaser contained in the Lease; provided that the consent of the City for the assignment of this Agreement shall not be required if the consent of the City is not required for such Person's assumption of the Lease under the provisions of **Article XIII** thereof. Any such assignee shall agree to be bound by the terms of this Agreement. This Agreement may be assigned, without approval of, but with notice to the City, by the Purchaser to any lender of the Purchaser as collateral for a loan secured by the Project Equipment and the Bonds may be pledged, without approval of the City, by the Purchaser to any lender of the Purchaser as collateral for a loan secured by the Project Equipment.

SECTION 10. EXECUTION IN COUNTERPARTS

This 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.

SECTION 11. ELECTRONIC STORAGE

The parties agree that the transaction described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

SECTION 12. ANTI-DISCRIMINATION AGAINST ISRAEL ACT

Pursuant to Section 34.600 of the Revised Statutes of Missouri, the Purchaser certifies that it is not currently engaged in and will not, for the duration of this Agreement, engage in a boycott of goods or services from (a) the State of Israel, (b) companies doing business in or with the State of Israel or authorized by, licensed by, or organized under the laws of the State of Israel, or (c) persons or entities doing business in the State of Israel.

[Remainder of Page Intentionally Left Blank]

Very truly yours,

Date of Execution:

December ___, 2022

JEFFERSON CITY MEDICAL GROUP, P.C.,
as Purchaser

By: _____
Name: _____
Title: _____

Accepted and Agreed to this _____ day of December, 2022.

CITY OF JEFFERSON, MISSOURI

By: _____
Name: Carrie Tergin
Title: Mayor

[SEAL]

ATTEST:

By: _____
Name: Emily Donaldson
Title: City Clerk

Gilmore & Bell, P.C.
Draft v2 – November 29, 2022

PERFORMANCE AGREEMENT

Dated as of December 1, 2022

AMONG

CITY OF JEFFERSON, MISSOURI,

JCMG INVESTMENT, LLC

AND

JEFFERSON CITY MEDICAL GROUP, P.C.

Relating to:

$15,700,000 **(Aggregate Maximum Principal Amount)** **City of Jefferson, Missouri** **Taxable Industrial Development Revenue Bonds** **(JCMG – Real Property Project)** **Series 2022**	**$2,100,000** **(Aggregate Maximum Principal Amount)** **City of Jefferson, Missouri** **Taxable Industrial Development Revenue Bonds** **(JCMG – Personal Property Project)** **Series 2022**

Prepared By:

Gilmore & Bell, P.C.
Kansas City, Missouri

PERFORMANCE AGREEMENT

THIS PERFORMANCE AGREEMENT, dated as of December 1, 2022 ("**Agreement**") from time to time amended and supplemented in accordance with the provisions hereof, is between the **CITY OF JEFFERSON, MISSOURI,** a home rule charter city and municipal corporation organized and existing under the laws of the State of Missouri (the "**City**"), **JEFFERSON CITY MEDICAL GROUP, P.C.**, a Missouri professional corporation (the **"JCMG PC"**), and **JCMG INVESTMENT, LLC**, a Missouri limited liability company (**"JCMG Investment"** and, together with JCMG PC, the **"Companies"**).

RECITALS:

1. The City is authorized and empowered pursuant to the provisions of 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 (collectively, the **"Act"**), to purchase, construct, extend and improve certain projects (as defined in Section 100.010 of the Revised Statutes of Missouri, as amended) and to issue industrial development revenue bonds for the purpose of providing funds to pay the costs of such projects and to lease or otherwise dispose of such projects to private persons or corporations for manufacturing, commercial, research and development, warehousing and industrial development purposes upon such terms and conditions as the City shall deem advisable.

2. Pursuant to the Act, the City Council of the City gave notice to the affected taxing jurisdictions in accordance with Section 100.059.1 of the Act regarding the City's intent to approve the issuance of one or more series of industrial development revenue bonds under the Act in order to finance the costs of a project for the benefit of JCMG PC consisting of (a) constructing an approximately 28,000 square foot stand-alone outpatient surgery center (the **"Project Improvements"**) on an approximately 6.85 acre site located at 3520 West Edgewood Drive in the City (the **"Project Site,"** as legally described on **Exhibit A** hereto), and (b) acquiring and installing certain equipment and other personal property within the Project Improvements (the **"Project Equipment"**). The Project Site, the Project Improvements and the Project Equipment are collectively referred to as the **"Project."**

3. Following notice to the affected taxing jurisdictions in accordance with Section 100.059.1 of the Act, the City Council of the City adopted Ordinance No. [_____] on December 19, 2022 (the **"Ordinance"**), (a) approving a plan for the Project (the **"Chapter 100 Plan"**) and (b) authorizing the issuance of (i) the City's Taxable Industrial Development Revenue Bonds (JCMG – Real Property Project), Series 2022, in the maximum aggregate principal amount of $15,700,000 (the **"Real Property Bonds"**), to pay (or reimburse) the costs of acquiring the Project Site and constructing the Project Improvements thereon (the Project Site and the Project Improvements located thereon are collectively referred to herein as the **"Real Property"**), which Real Property will be occupied by JCMG PC pursuant to sublease by and between JCMG Investment, as lessor, and JCMG PC, as lessee, and (ii) the City's Taxable Industrial Development Revenue Bonds (JCMG – Personal Property Project), Series 2022, in the aggregate maximum aggregate principal amount of $2,100,000 (the **"Personal Property Bonds"** and, together with the Real Property Bonds, the **"Bonds"**), to pay (or reimburse) the costs of acquiring and installing the Project Equipment within the Project Improvements.

4. Pursuant to the Ordinance, the City is authorized to execute and deliver (a) the Real Property Trust Indenture dated as of December 1, 2022 (the **"Real Property Indenture**"), between the City and BOKF, N.A., as bond trustee (the "**Trustee**"), for the purpose of issuing and securing the Real Property Bonds, (b) the Personal Property Trust Indenture dated as of December 1, 2022 (the **"Personal Property Indenture"** and, together with the Real Property Indenture, the **"Indentures"**), between the City and the Trustee for the purpose of issuing and securing the Personal Property Bonds, (c) the Real Property

Lease Agreement dated as of December 1, 2022 (the **"Real Property Lease"**), between the City, as lessor, and JCMG Investment, as lessee, under which the City will lease the Real Property to JCMG Investment in consideration of rental payments to be paid by JCMG Investment which will be sufficient to pay the principal of and interest on the Real Property Bonds, (d) the Personal Property Lease Agreement dated as of December 1, 2022 (the **"Personal Property Lease"** and, together with the Real Property Lease, the **"Leases"**) between the City, as lessor, and JCMG PC, as lessee, under which the City will lease the Project Equipment to JCMG PC in consideration of rental payments to be paid by JCMG PC which will be sufficient to pay the principal of and interest on the Personal Property Bonds, and (e) this Agreement, between the City, JCMG Investment and JCMG PC, for the purpose of setting forth the terms and conditions of the Project's exemption from ad valorem real and personal property taxes and certain payments in lieu of taxes to be made by the Companies with respect to the Project.

5. Pursuant to the foregoing, the City desires to enter into this Agreement with the Companies in consideration of the Companies' desire to cause the acquisition, construction, equipping and improvement of the Project as more fully described in the respective Leases, upon the terms and subject to the conditions hereinafter set forth.

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

ARTICLE I

DEFINITIONS

Section 1.1. Definitions of Words and Terms. In addition to the capitalized words and terms defined elsewhere in this Agreement and the capitalized words and terms defined in **Section 101** of the Indentures and **Section 1.1** of the Leases, which definitions are hereby incorporated herein by reference, the following capitalized words and terms as used in this Agreement shall have the following meanings:

"Additional Job PILOT Payment" means any additional payment in lieu of taxes (in addition to the Base PILOT Payments set forth **Section 3.2** hereof) as further described in **Section 3.3** hereof.

"Agreement" means this Performance Agreement dated as of December 1, 2022, between the City, JCMG PC and JCMG Investment, as from time to time amended and supplemented in accordance with the provisions hereof.

"Annual Compliance Report" means the Annual Compliance Report reflecting the number of Jobs JCMG PC maintains at the Project Site as of each Test Date that is required to be filed with the City in accordance with **Section 3.3** hereof, a form of which is attached hereto as **Exhibit B**.

"Base PILOT Payment" means the payments in lieu of taxes described in **Section 3.2** hereof.

"County" means Cole County, Missouri.

"County Assessor" means the Assessor of Cole County, Missouri.

"Event of Default" means any Event of Default as provided in **Section 6.1** hereof.

"Job" means a full-time equivalent position with JCMG PC that is filled by a worker who is employed at the Project Site, scheduled to work not less than 37.5 hours per week and is eligible to receive normal full-time employee benefits offered by JCMG PC. Positions filled by workers who are not directly employed by JCMG PC do not qualify as "Jobs" for purposes of this definition.

"PILOT Payments" means, collectively, the Base PILOT Payments as described in **Section 3.2** hereof and any Additional Job PILOT Payments as described in **Section 3.3** hereof.

"Test Date" means October 31 of each year, beginning October 31, 2023 and ending on October 31, 2032.

ARTICLE II

ISSUANCE OF BONDS

Section 2.1. Issuance of the Bonds. As described herein, the City intends to issue the Real Property Bonds (to be purchased by JCMG Investment) and the Personal Property Bonds (to be purchased by JCMG PC) under the Act for the purpose of paying (or reimbursing) all or a portion of the Project Costs (as defined in the Indentures). In connection with the issuance of the Bonds, the City will acquire fee simple title to the Real Property from JCMG Investment and will acquire legal title the Project Equipment from JCMG PC.

ARTICLE III

PROPERTY TAX EXEMPTION; PAYMENTS IN LIEU OF TAXES

Section 3.1. Property Tax Exemption.

(a) On the date of issuance of the Real Property Bonds (December [____], 2022), JCMG Investment will convey fee simple title to the Real Property to the City, and the City expects said Real Property to be exempt from ad valorem real property taxes as a result of the City's ownership thereof so long as the City owns title to said Real Property.

(b) On the date of issuance of the Personal Property Bonds (December [____], 2022), JCMG PC will transfer legal title of the Project Equipment previously acquired and installed on the Project Site to the City via a bill of sale, and the City expects said Project Equipment to be exempt from ad valorem personal property taxes from and after January 1, 2023, so long as the City owns title to said Project Equipment.

(c) Notwithstanding any other provision of this Agreement to the contrary, the last year of such real and personal property tax exemption period shall be 2032. The Companies covenant and agree that, during each year the Real Property and Project Equipment is exempt from ad valorem real and personal property taxes by reason of the City owning title to the Real Property and Project Equipment, the Companies will make annual Base PILOT Payments in such amounts as described in **Section 3.2** of this Agreement relating to the respective Real Property and Project Equipment. Each Base PILOT Payment required to be paid under **Section 3.2** of this Agreement, together with any Additional Jobs PILOT Payment required to be paid under **Section 3.3** of this Agreement, are collectively referred to herein as a **"PILOT Payment"**. The City and the Companies hereby agree that the real and personal property tax abatement provided by

this Agreement shall only apply to the Real Property (i.e., the Project Site and the Project Improvements) and the Project Equipment financed with the proceeds of the Bonds (i.e., property constituting a part of the Project) and shall not apply to any real or personal property not financed with proceeds of the Bonds**.**

Section 3.2. Payments in Lieu of Taxes.

(a) *Real Property*: Simultaneously with the issuance of the Real Property Bonds on December [___], 2022, JCMG Investment will convey title to the Real Property to the City; therefore, in calendar year 2022, JCMG Investment covenants and agrees to make, or cause JCMG PC to make, a Base PILOT Payment to the City (or to the County if so directed by the City) on or before December 31, 2022, equal to 100% of the ad valorem real property taxes that would otherwise be due in calendar year 2022 with respect to the Real Property, but for the City's ownership thereof. Beginning in calendar year 2023, JCMG Investment will receive real property tax abatement on the Real Property for a period of 10 years, as follows: (1) 75% real property tax abatement in calendar years 2023 through 2027, inclusive, and (2) 50% real property tax abatement in calendar years 2028 through 2032, inclusive. During the 10-year period of real property tax abatement on the Real Property (calendar years 2023 through 2032), JCMG Investment covenants and agrees to make, or cause JCMG PC to make, a Base PILOT Payment to the City (or to the County if so directed by the City) on or before December 31 in each of said years with respect to the Real Property, as follows:

(1) Beginning in calendar year 2023 through calendar year 2027, inclusive, a Base PILOT Payment equal to 25% of the ad valorem real property taxes which would otherwise be due with respect to the Real Property, but for the City's ownership of the Real Property; and

(2) Beginning in calendar year 2028 through calendar 2032, inclusive, a Base PILOT Payment equal to 50% of the ad valorem real property taxes which would otherwise be due with respect to the Real Property, but for the City's ownership of the Real Property.

(b) *Project Equipment*: JCMG PC has or will acquire and deliver all of the Project Equipment (in the approximate amount of $2,083,275) to the Project Site prior to the end of the current calendar year 2022. Beginning in calendar year 2023, the Company will receive personal property tax abatement for a period of 10 years on the Project Equipment, as follows: (1) 75% personal property tax abatement in years calendar 2023 through 2027, inclusive, and (2) 50% personal property tax abatement in calendar years 2028 through 2032, inclusive. During the 10-year period of personal property tax abatement (calendar years 2023 through 2032), JCMG PC covenants and agrees to make Base PILOT Payments to the City (or to the County if so directed by the City) on or before December 31 in each of said years with respect to the Project Equipment, as follows:

(1) Beginning in calendar year 2023 through calendar year 2027, inclusive, a Base PILOT Payment equal to 25% of the ad valorem personal property taxes which would otherwise be due with respect to the Project Equipment, but for the City's ownership of the Project Equipment; and

(2) Beginning in calendar year 2028 through calendar 2032, inclusive, a Base PILOT Payment equal to 50% of the ad valorem personal property taxes which would otherwise be due with respect to the Project Equipment, but for the City's ownership of the Project Equipment.

(c) Pursuant to **Section 11.4** of the Real Property Lease, JCMG Investment shall exercise its option to purchase the Real Property from the City no later than December 31, 2032. If title to the Real Property is not conveyed by the City to JCMG Investment before January 1, 2033, then on December 31, 2033, and each year thereafter until title to the Real Property is transferred to JCMG Investment, the JCMG

Investment shall pay to the City (or to the County at the direction of the City) a Base PILOT Payment equal to 100% of the real property taxes that would otherwise be due on the Real Property, but for the City's ownership thereof.

(d) Pursuant to **Section 11.4** of the Personal Property Lease, JCMG PC shall exercise its option to purchase the Project Equipment from the City no later than December 31, 2032. If title to the Project Equipment is not conveyed by the City to JCMG PC before January 1, 2033, then on December 31, 2033, and each year thereafter until title to the Project Equipment is transferred to JCMG PC, JCMG PC shall pay to the City (or to the County at the direction of the City) a Base PILOT Payment equal to 100% of the personal property taxes that would otherwise be due on the Project Equipment, but for the City's ownership thereof.

(e) The parties expect the County Assessor to annually determine an assessed valuation with respect to the Real Property and the Project Equipment in accordance with Article X, Section 4(b) of the Missouri Constitution and Section 137.115 of the Revised Statutes of Missouri, as if title to the Real Property and the Project Equipment were in the name of the Companies and not the City. To facilitate the assessment, the Companies agree to provide to the County Assessor, on or before March 1 of each year or such other date on which property declarations are required by law to be made, a report that includes the following information:

(1) JCMG PC's report shall contain a list of the Project Equipment and the cost thereof, in form and content consistent with the personal property declarations that JCMG PC makes with respect to other personal property located at the Project Site;

(2) Each Company's report shall contain a list of all improvements to the Real Property made by such Company during the calendar year; and

(3) Each Company's report shall contain such other information as the Assessor may reasonably require to complete the assessment of the Real Property and the Project Equipment, as applicable.

The itemization of the Project Equipment shall be consistent with the information provided by JCMG PC to the City and the Trustee under **Section 4.2** of the Personal Property Lease and shall be of sufficient specificity so as to enable the appropriate City and County officials to determine which personal property as reported on the annual personal property declaration constitutes Project Equipment (and therefore is owned by the City) and which personal property does not constitute Project Equipment (and therefore is owned by the JCMG PC).

(f) The County Assessor shall notify the City and the Companies of the assessed valuation of the Real Property and the Project Equipment in writing.

Section 3.3. Adjustment of Payments In Lieu of Taxes for Failure to Maintain Jobs.

(a) JCMG PC covenants and agrees to maintain at least 20 Jobs at the Project Site by October 31, 2023 (the initial Test Date) and continue to maintain said 20 Jobs at the Project Site for so long as the property tax abatement described in this Agreement is in effect. JCMG PC will calculate the total number of Jobs maintained at the Project Site as of October 31 each year (each a **"Test Date"**), commencing with October 31, 2023, and ending with October 31, 2032, as follows:

- The total number of Jobs at the Project Site will be measured by determining the actual number of Jobs on that last day of each month on each of the immediately preceding 12 months ending on each Test Date (*i.e.*, the last day of each month of November 30 through the following applicable October 31 Test Date) and then dividing the sum of the actual number of Jobs on the last day of each respective month by twelve (12) to get the twelve (12)-month average number of Jobs.

(b) If JCMG PC fails to maintain at least 20 Jobs at the Project Site as of a particular Test Date (i.e., October 31, 2023 through October 31, 2032) as certified by JCMG PC to the City and an officer of Jefferson City Regional Economic Partnership (who will be assisting the City monitoring compliance with **Section 3.3** of this Agreement) in the Annual Compliance Report described in subsection **(e)** of this **Section 3.3**, the Companies shall pay an Additional Jobs PILOT Payment, which will be in addition to the Base PILOT Payment required to be paid by the Companies set forth in **Section 3.2** of this Agreement, to the City on or before December 31 of the calendar year in which the Test Date evidencing the failure to meet the Jobs requirement occurs. The Additional Jobs PILOT Payment will be in an amount equal to the formula percentage calculated below (the "**Jobs PILOT %"**) *multiplied by* the amount of ad valorem real and personal property taxes which would have been due with respect to the Real Property and Project Equipment, respectively, had the Real Property and the Project Equipment not been exempt from such real and personal property taxes due to the City's ownership thereof:

When the Base PILOT Payment percentage is 25% (calendar years 2023 through 2027):

$$\textbf{\textit{Jobs PILOT \%}} = .75 - \left(.75 \times \frac{\text{Actual Number of Jobs}}{20}\right)$$

Jobs PILOT % x ***B*** = **Additional Jobs PILOT Payment**

B **=** 100% of ad valorem real and personal property taxes that would have otherwise been required to be paid by the Companies with respect to the Real Property and Project Equipment but for the City's ownership of such Real Property and Project Equipment

When the Base PILOT Payment percentage is 50% (calendar years 2028 through 2032):

$$\textit{Jobs PILOT \%} = .50 - \left(.50 \times \frac{\text{Actual Number of Jobs}}{20}\right)$$

$$\textit{Jobs PILOT \%} \times \textit{B} = \textbf{Additional Jobs PILOT Payment}$$

***B* =** 100% of ad valorem real and personal property taxes that would have otherwise been required to be paid by the Companies with respect to the Real Property and Project Equipment but for the City's ownership of such Real Property and Project Equipment

(c) JCMG PC shall annually file with the City and Jefferson City Regional Economic Partnership (who will be assisting the City with monitoring JCMG PC's compliance with this **Section 3.3**), commencing on November 15, 2023, and continuing on each November 15 thereafter while this Agreement remains in effect, an Annual Compliance Report in the form attached hereto as **Exhibit B**. JCMG PC also agrees to provide reasonable access to its payroll records for purposes of verifying the number of Jobs, subject to such limitations as JCMG PC determines to be necessary to maintain the privacy of the payroll information of individuals and to comply with all of the JCMG PC's legal obligations with respect to the privacy of the payroll information of individuals.

(d) The calculations set forth in this **Section 3.3** shall be performed as of each Test Date, with any resulting Additional Jobs PILOT Payment due as a result of such calculation to be applicable for the calendar year in which such Test Date occurs. In no event shall the Additional Jobs PILOT Payment pursuant to this **Section 3.3**, when added to the Base PILOT Payment calculated pursuant to **Section 3.2** of this Agreement, exceed 100% of the actual ad valorem real and personal property taxes that would have otherwise been payable on the Real Property or the Project Equipment, as applicable, but for the City's ownership thereof, for the given year.

Section 3.4. Distribution of PILOTS. Within 30 days of the date of receipt of each PILOT Payment, the City Clerk, or other designated billing/collection agent, shall distribute each PILOT Payment, after reduction for the administrative costs of the City as provided by **Section 3.6** hereof, among the taxing jurisdictions in proportion to the amount of real and personal property taxes which would have been paid in each year had the Project not been exempt from ad valorem real and personal property taxation pursuant to this Agreement and the City's ownership of the Project.

Section 3.5. Obligation of City to Effect Property Tax Abatement. The City shall, at either Company's request and at the expense of the requesting Company or Companies, take all actions, subject only to limitations imposed by applicable law, to obtain and/or maintain in effect the exemption referred to in **Section 3.1** above, including any filing required with any governmental authorities; provided, however, the City shall not be liable for any failure of the County or any other governmental taxing authority to recognize the exemption provided herein, and the City shall not be required to file litigation to effect the exemption. The City covenants that it will not voluntarily take any action intended to cause or induce the levy or assessment of ad valorem taxes on the Project. If such a levy or assessment should occur, the City shall, at either Company's request and at the expense of the requesting Company or Companies, cooperate with the Companies in all reasonable ways to prevent and/or remove any levy or assessment against the Project.

Section 3.6. Administration Costs. Under Section 100.050 of the Act, the City may require the Companies to reimburse the City for its actual costs of issuing the Bonds and administering the Chapter 100 Plan including costs associated with this Agreement in an amount no greater than $1,000.00 per year. The City will provide a statement for such costs to JCMG PC not later than November 15th of each year, and JCMG PC will reimburse the City for its costs on or before December 31st of each year continuing until December 31st of the year in which this Agreement expires or is terminated.

Section 3.7. Other Property Taxes In Connection with the Project. The property tax exemption provided by the City's ownership of the Real Property and the Project Equipment is expected to apply to all interests in such portion of the Project during the period it is owned by the City. If any ad valorem property taxes are levied by or on behalf of any taxing jurisdiction against any interest in the Project during the period the City owns the Project (including, without limitation, any ad valorem taxes levied against the Companies' rights in the Leases), the amount of ad valorem tax payments related to such levy or levies that are paid by either Company and received by the City (or the County) shall be credited against and reduce the amount of the applicable PILOT Payment that the respective Company is obligated to pay pursuant to this Agreement. The Companies shall be responsible for any taxes related to any interest in the Project that the Companies own in their own names or granted to the Companies other than pursuant to the Leases.

Section 3.8. No Sales Tax Exemption. The construction, installation and equipping of the Project shall not be exempt from any sales taxes imposed by any governmental authority by virtue of the City's ownership of the Project, and neither the City nor the Companies shall request any such exemption. Nothing herein shall limit the Companies' right to any exemption of sales taxes not resulting from the City's ownership of title to the Project.

Section 3.9. Credits for Certain Tax Payments. Nothing in this Agreement shall be construed to require the Company to make duplicate tax payments. The Company shall receive a credit hereunder to such extent it has made any payment for ad valorem real and personal property taxes on the Project to the City.

Section 3.10. Company's Right To Protest Taxes. Notwithstanding any other provision of this Agreement to the contrary, nothing in this Agreement shall be construed to limit or in any way restrict the availability of any provision of State law which confers upon JCMG Investment or JCMG PC the right to appeal, protest or otherwise contest any property tax valuation, assessment, classification or any portion thereof on behalf of or in the City's name following written notice to the City from JCMG Investment and/or JCMG PC, but solely at such Company's expense.

Section 3.11. PILOT Payments Following Cessation of Operations at the Project Site. If for any reason during the term of this Agreement (unless the Project has been subject to a casualty and the Companies or either of them are rebuilding or repairing the damaged component of the Project) JCMG PC completely vacates, abandons or ceases operations at the Project Site and the Companies fail to exercise their respective options to purchase their respective portions of the Project within 90 days after such vacancy, abandonment or cessation of operations, JCMG Investment and JCMG PC shall respectively make a PILOT Payment to the City (to be distributed as provided in **Section 3.4**) equal to 100% of the ad valorem real and personal property taxes, respectively, that would otherwise be due on the Real Property and the Project Equipment, as applicable, but for the City's ownership thereof. Such PILOT Payment shall be made on or before December 31 in the year in which the JCMG PC first ceases operations at the Project Site and on each December 31 thereafter for each year in which the Real Property and/or the Project Equipment is, on January 1 of such year, still titled in the name of the City, and JCMG PC has ceased operations at the Project Site.

Section 3.12. No Abatement on Special Assessments, Licenses or Fees. The City and the Companies hereby agree that the property tax exemptions described in this Agreement shall not apply to special assessments and shall not serve to reduce or eliminate any other licenses or fees owing to the City or any other taxing jurisdiction with respect to the Project. The Companies hereby agrees to make payments with respect to all special assessments, licenses and fees which would otherwise be due with respect to each Companies respective interest in the Project if such Project was not owned by the City.

ARTICLE IV

COVENANTS, REPRESENTATIONS AND AGREEMENTS

Section 4.1. Inspection. The Companies agree that the City and its duly authorized agents shall have the right at reasonable times (during business hours), subject to at least 48 hours advance notice and to the JCMG PC's usual business proprietary, safety and security requirements, to enter upon the Project Site to examine and inspect the Project and the records of JCMG PC or JCMG Investment which demonstrate compliance with this Agreement.

Section 4.2. Compliance with Laws. To the best of each Company's knowledge, the Project is and will be in material compliance with all applicable federal, State and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Project, including environmental laws, subject to all applicable rights of each respective Company to contest the same, as applicable.

Section 4.3. Purchase, Construction, Improvement, Installation and Operation. The Project has been or will be purchased, constructed, improved, installed and operated in a manner that is consistent with the description of the Project contained in this Agreement and in the Lease. In the event the Project purchased, constructed, improved and installed is materially inconsistent with the description of the Project contained herein and in the presentation to the City Council of the City, the City reserves the right to declare an Event of Default in accordance with **Section 6.1** hereof.

Section 4.4. Indemnification. The Companies shall jointly and severally indemnify and save and hold harmless the City and the County Assessor 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 from the conduct or management of, or from any work or thing done in, on or about, the Project Site, as applicable, during the term of the respective Leases, and against and from all claims, demands, costs, liabilities, damages or expenses, including reasonable attorneys' fees, arising during the term of the respective Leases from any event described in **Section 10.5** of the respective Leases and **Section 10.9** of the Real Property Lease to the extent and subject to the limitations provided therein.

Section 4.5. Costs of Issuance of the Bonds. The Companies agree to pay on the date of the initial issuance of the Bonds, all costs of issuance incurred in connection therewith, provided that a closing memorandum detailing all costs of issuance is provided to the Companies for review at least two Business Days prior to the initial issuance of the Bonds.

ARTICLE V

SALE AND ASSIGNMENT

The benefits granted by the City to the Companies pursuant to this Agreement shall belong solely to the Companies, and such benefits shall not be transferred, assigned, pledged or in any other manner hypothecated, except as provided in **Section 13.1** of each Lease. Specifically, and not by way of limitation of the foregoing, JCMG Investment shall have the right, without consent of the City, to assign all right, title and interest hereunder to JCMG PC.

ARTICLE VI

DEFAULT AND REMEDIES

Section 6.1. Events of Default. If any one or more of the following events occurs and is continuing, it is hereby defined as and declared to be and to constitute an Event of Default hereunder:

(a) either one of the Companies fails to make any PILOT Payments required to be paid hereunder within 10 days after written notice and demand given by the City;

(b) The occurrence and continuance of an Event of Default by the Companies under the Leases following any applicable notice and grace period provided therein;

(c) the Companies shall fail to perform any of its obligations hereunder for a period of 60 days (or such longer period as the City and the Companies may agree in writing) following written notice to the Companies from the City of such failure which notice shall include a specific description of the applicable Companies' failure hereunder; provided however, that if such failure is not subject to cure within such 60 days, such failure shall not constitute an Event of Default hereunder if the Companies initiate action to cure such default and pursues such action diligently; or

(d) any representation of the Companies contained herein proves to be materially false or erroneous and is not corrected or brought into compliance within 60 days (or such longer period as the City and the Companies may agree in writing) after the City has given written notice to the Companies specifying the false or erroneous representation and requiring it to be remedied; provided, however, that if such matter is not subject to cure within such 60 days after such notice, it shall not constitute and Event of Default hereunder if the Companies initiate action to cure the default within such 60 days after such notice and pursues such action diligently.

Notwithstanding any provision of this Agreement to the contrary, the City will credit JCMG Investment for any payments made by JCMG PC on JCMG Investment's behalf.

Section 6.2. Remedies on Default. Upon an Event of Default hereunder, this Agreement may be terminated by written notice to the Companies from the City. Upon such termination, the Companies shall make a PILOT Payment to the City equal to (a) the *pro rata* amount payable pursuant to **Section 3.3** hereof from January 1 of the year in question through the effective date of termination, plus (b) the *pro rata* amount of ad valorem real and personal property taxes that would be due for the remaining portion of the year assuming the Project was placed on the tax rolls effective on the date of termination through December 31; provided, however, the PILOT Payments following cessation of operations shall be governed by **Section 3.11**; and provided further, the Companies shall receive a credit for all PILOT Payments made pursuant to **Section 3.2** hereof and such credit shall reduce the amount of any payments due under this Section.

Section 6.3. Payments on Defaulted Amounts. Any PILOT Payments due hereunder which are not paid when due shall be subject to penalties imposed by State law on overdue ad valorem property taxes from the date such payment was first due.

Section 6.4. Enforcement. In addition to the remedies specified in **Section 6.2**, upon the occurrence of an Event of Default, the City or any taxing jurisdictions that would benefit from the PILOT Payments provided for in this Agreement may bring an action for specific performance to enforce such payments.

Section 6.5. Failure of the City to Perform its Obligations. In the event the City shall fail to perform any of its obligations hereunder for (a) a period of 60 days (or such longer period as the Companies and the City may agree in writing) following written notice to the City Clerk from the Companies of such failure which notice shall include a specific description of the City's failure hereunder, or (b) if such failure is not subject to cure within such 60 days, the City shall have failed to initiate action to cure such default and shall pursue such action diligently; the Companies may declare that the City is in default under this Agreement and may pursue any legal remedy available to it to enforce this Agreement.

ARTICLE VII

TERM OF AGREEMENT

Section 7.1. Term of Agreement. This Agreement shall become effective upon execution, and subject to earlier termination pursuant to the provisions of this Agreement (including particularly the following sentence and **Article VI** hereof), shall terminate on December 31, 2032. This Agreement shall automatically terminate upon the earlier to occur of the following:

(a) the payment in full of the Bonds (or any bonds issued to refund the Bonds) and the payment of all amounts due under this Agreement;

(b) the expiration of the Lease Term set forth in **Section 3.2** of the Leases; or

(c) the occurrence and continuance of an uncured Event of Default and the subsequent termination of this Agreement pursuant to the provisions of the Leases and this Agreement.

Section 7.2 Payments in Final Year. The foregoing provisions of **Section 7.1** shall not relieve the Companies of their obligation to make any PILOT Payments owing during the year in which the Bonds are paid in full, to the extent the Companies receive the ad valorem real and personal property tax abatement contemplated for that year and such PILOT Payment is due under this Agreement.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 8.1. Severability. If for any reason any provision of this Agreement shall be determined to be invalid or unenforceable, the validity and enforceability of the other provisions hereof shall not be affected thereby.

Section 8.2. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Missouri.

Section 8.3. Execution in Counterparts. This Agreement may be executed simultaneously in several counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument.

Section 8.4. Waiver. The City and the Companies acknowledge and agree that the amounts payable hereunder shall constitute payments due the City under the Leases executed in connection with the Bonds. The Companies shall not be entitled to any extension of payment of such amounts as a result of a filing by or against the Companies in any bankruptcy court.

Section 8.5. Entire Agreement. This Agreement, together with the Leases, the Indentures and any other documents entered into of even date herewith in connection with the issuance of the Bonds, constitute the entire agreement of the parties with respect to the subject matter hereof. This Agreement shall not be modified except by written agreement signed on behalf of the parties hereto by their duly authorized representatives.

Section 8.6. Electronic Transactions. The parties agree that the transaction described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 8.7. Notices. All notices, certificates or other communications required or desired to be given hereunder shall be given in the manner specified in the Indentures and/or Indentures.

Section 8.8. Employee Verification. The Company will comply with and satisfy the requirements of Section 285.530.2, RSMo., as amended, which requires (a) any business entity receiving tax abatement to, by sworn affidavit and provision of documentation, annually affirm its enrollment and participation in a federal work authorization program with respect to the employees working in connection with the business entity receiving tax abatement, and (b) every such business entity to annually sign an affidavit affirming that it does not knowingly employ any person who is an unauthorized alien in connection with the entity receiving tax abatement. The Company shall provide such affidavits and documentation to the City Clerk on or before November 15 of each year during the term of this Agreement, beginning November 15, 2023, and also upon execution of this Agreement.

Section 8.9. Anti-Discrimination Against Israel Act. Pursuant to Section 34.600 of the Revised Statutes of Missouri, each of the Companies certifies it is not currently engaged in and shall not, for the duration of this Agreement, engage in a boycott of goods or services from (a) the State of Israel, (b) companies doing business in or with the State of Israel or authorized by, licensed by or organized under the laws of the State of Israel or (c) persons or entities doing business in the State of Israel.

Section 8.10. Complete Agreement. The Companies and the City understand that oral or unexecuted agreements or commitments to loan money, extend credit or to forbear from enforcing repayment of a debt including promises to extend or renew such debt are not enforceable. To protect the Companies and the City from misunderstanding or disappointment, any agreements the Companies and the City reach covering such matters are contained in this Agreement and in the Leases, which are the complete and exclusive statements of the agreement between the Companies and the City, except as the Companies and the City may later agree in writing to modify this Agreement and the Leases.

Section. 8.11. Performance by JCMG PC. The City hereby acknowledges and agrees that to the extent that JCMG PC performs any obligation of JCMG Investment hereunder pursuant to any sublease between JCMG PC and JCMG Investment or otherwise, the City shall accept such performance and such performance shall constitute JCMG Investment's performance of such obligation for all purposes hereof.

Section 8.12. Date of Performance Agreement. The dating of this Agreement as of December 1, 2022, is intended as and for the convenient identification of this Agreement only and is not intended to indicate that this Agreement was executed and delivered on said date, this Agreement being executed and delivered and becoming effective simultaneously with the initial issuance of the Bonds.

[*Remainder of this page intentionally left blank.*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their respective corporate names, all as of the date first above written.

CITY OF JEFFERSON, MISSOURI

By: _____
Name: Carrie Tergin
Title: Mayor

[SEAL]

ATTEST:

By: _____
Name: Emily Donaldson
Title: City Clerk

JEFFERSON CITY MEDICAL GROUP, P.C., a Missouri professional corporation

By: _____
Name:
Title:

JCMG INVESTMENT, LLC, a Missouri limited liability company

By: _____
Name:
Title:

ACKNOWLEDGMENT AND AGREEMENT

The County Assessor of Cole County, Missouri, acknowledges receipt of this Agreement and agrees to perform the duties imposed on the County Assessor by **Article III** of this Agreement.

OFFICE OF COLE COUNTY, MISSOURI ASSESSOR

By: _____
Name: Christopher Estes
Title: County Assessor

EXHIBIT A

DESCRIPTION OF THE PROJECT SITE

The real property located in Cole County, Missouri, upon which the Project Improvements and Project Equipment are located, as more specifically described below:

[*To Be Provided*]

EXHIBIT B

ANNUAL COMPLIANCE REPORT

Date: November ___, 20___

To: City of Jefferson, Missouri
302 E. McCarty Street
Jefferson City, Missouri 65101

Jefferson City Regional Economic Partnership
630 Bolivar Street, Suite 202
Jefferson City, Missouri 65101
Attention: Missy Bonnot
Email: missybonnot@jcrep.org

A. COMPANY INFORMATION (JEFFERSON CITY MEDICAL GROUP, P.C.)

Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Contact: _____ Telephone: _____

Title: _____ Fax: _____

[*Remainder of this page intentionally left blank*.]

B. EMPLOYMENT INFORMATION.

The number of total **"Jobs"** maintained by JCMG PC at the Project Site on the last day of each of the immediately preceding 12 months ending on October 31, 20__ (the October 31st prior to this Report) is set forth in the table on below in the column labeled ***"Total Jobs."***

The 12-month average of the actual number of **"Jobs,"** which is calculated in accordance with the Performance Agreement dated as of December 1, 2022, between the Companies and the City (the **"Performance Agreement"**), maintained by JCMG PC at the Project Site was _____ as set forth below in the row labeled ***"12-Month Average of Jobs"***

	Total Jobs
November	
December	
January	
February	
March	
April	
May	
June	
July	
August	
September	
October	
12-Month Average of Jobs:	

Attached is a copy of a report verifying the above calculation containing at a minimum the following information for each Job:

1. Name or Other Employee Identification Information.
2. Hire Date.
3. Termination Date.

C. CERTIFICATION.

The undersigned hereby represents and certifies that, to the best knowledge and belief of the undersigned, this Annual Compliance Report contains no information or data, contained herein or in the exhibits or attachments, that is false or incorrect in any material respect.

Dated this ___ day of _____, _____.

Signature: _____
Name: _____
Title: _____

Gilmore & Bell, P.C.
Draft v2 – November 29, 2022

(The above space is reserved for Recorder's Certification.)

TITLE OF DOCUMENT:	SPECIAL WARRANTY DEED
DATE OF DOCUMENT:	December [____], 2022
GRANTOR:	JCMG INVESTMENT, LLC, a Missouri limited liability company
GRANTOR'S MAILING ADDRESS:	1241 West Stadium Blvd. Jefferson City, Missouri 65109
GRANTEE:	CITY OF JEFFERSON, MISSOURI, a home rule charter city and political subdivision organized and existing under the laws of the State of Missouri
GRANTEE'S MAILING ADDRESS:	320 East McCarty Street Jefferson City, Missouri 65101
RETURN DOCUMENTS TO:	Haden R. Crumpton, Esq. Gilmore & Bell, P.C. 2405 Grand Boulevard, Suite 1100 Kansas City, Missouri 64108
LEGAL DESCRIPTION:	See **Exhibit A**, at page A-1.

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made as of December [___], 2022, from **JCMG INVESTMENT, LLC**, a Missouri limited liability company, with an address of 1241 West Stadium Blvd., Jefferson City, Missouri 65109 (the **"Grantor"**), to the **CITY OF JEFFERSON, MISSOURI**, home rule charter city organized and existing under the laws of the State of Missouri, with an address of 320 East McCarty Street, Jefferson City, Missouri 65101 (the **"Grantee"**).

WITNESSETH, that the Grantor, in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration to it paid by the Grantee (the receipt and sufficiency of which are hereby acknowledged) does by these presents, **BARGAIN AND SELL, CONVEY AND CONFIRM** unto the Grantee, its successors and assigns, the lots, tracts or parcels of land situated in the County of Cole, State of Missouri, and legally described in **EXHIBIT A** (the **"Land"**), which is attached hereto at page A-1 of this Special Warranty Deed and incorporated herein by this reference, **SUBJECT, HOWEVER**, to the Permitted Encumbrances described in the Real Property Trust Indenture dated as of December 1, 2022, between the Grantee and BOKF, N.A., as trustee.

TO HAVE AND TO HOLD, the same, together with all and singular the rights, privileges, appurtenances and immunities thereto belonging or in any way appertaining unto the Grantee and unto its successors and assigns forever; the Grantor hereby covenanting that the Land is free and clear from any encumbrance done or suffered by it, other than the Permitted Encumbrances; and, that it will **WARRANT AND DEFEND** the title to the Land unto the Grantee and unto the Grantee's successors and assigns forever, against the lawful claims and demands of all persons claiming by, through or under the Grantor, but not otherwise.

IN WITNESS WHEREOF, the Grantor and the Grantee have executed this Special Warranty Deed as of the day and year above written.

[*Remainder of Page Intentionally Left Blank*]

"GRANTOR"

JCMG INVESTMENT, LLC,
a Missouri limited liability company

By: _____
Name:
Title:

ACKNOWLEDGMENT

STATE OF MISSOURI)
) SS.
COUNTY OF COLE)

On this _____ day of December, 2022, before me, the undersigned, a Notary Public in and for said State, appeared _____, to me personally known, who, being by me duly sworn, did say that (s)he is a _____ of **JCMG INVESTMNT, LLC**, a Missouri limited liability company, and that said instrument was signed on behalf of said company by authority of its governing body, and said officer acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said company.

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:

PLEASE AFFIX SEAL FIRMLY AND CLEARLY IN THIS BOX

"GRANTEE"

CITY OF JEFFERSON, MISSOURI

By: _____
Carrie Tergin, Mayor

[SEAL]

ATTEST:

_____
Emily Donaldson, City Clerk

ACKNOWLEDGMENT

STATE OF MISSOURI)
) SS.
COUNTY OF COLE)

On this _____ day of December, 2022, before me, the undersigned, a Notary Public in and for said State, personally appeared **CARRIE TERGIN**, to me personally known, who, being by me duly sworn, did say that she is the Mayor of the **CITY OF JEFFERSON, MISSOURI**, and that the seal affixed to the foregoing instrument is the corporate seal of said City, and that said instrument was signed and sealed by authority of its City Council, and said officer acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said City.

IN 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:

PLEASE AFFIX SEAL FIRMLY AND CLEARLY IN THIS BOX

EXHIBIT A

DESCRIPTION OF THE LAND

The land situated in County of Cole, State of Missouri, and described as follows: