

AGENDA
CITY OF CENTRALIA, MISSOURI
Board of Aldermen – Regular Meeting
Monday, November 16, 2015
7:00 P.M.
City Hall Council Chambers

- I. ROLL CALL
- II. PLEDGE OF ALLEGIANCE
- III. CONSENT AGENDA (Approved as a group unless separated by request of one or more Aldermen)
 - A. Minutes of Prior Meetings – *October 19, 2015*
 - B. Minutes of Public Works and Public Utilities Committee Meeting – *November 2, 2015*
 - C. Minutes of General Government and Public Safety Committee Meeting – *November 9, 2015*
 - D. Reports
 - 1. Treasurer’s & Collector’s Reports
 - 2. Activity Reports
- IV. ACCOUNTS PAYABLE OVER \$1,250
- V. COMMENTS FROM CITIZENS
- VI. REPORT FROM CHAMBER OF COMMERCE
- VII. ACTION AGENDA
 - A. Finance – None.
 - B. Permits and Licensing – None.
 - C. Legal
 - 1. Approving a tax and disclosure compliance procedure for financial obligations of the City of Centralia, Missouri – Ordinance
Bill No. _____ Ordinance No. _____
 - 2. Approving a Lease Purchase Transaction to pay the costs of refunding an outstanding series of certificates of participation of the City of Centralia, Missouri and to pay the costs of renovating and improving the City Municipal Swimming Pool; and authorizing and approving the execution of related documents and actions. – Ordinance
Bill No. _____ Ordinance No. _____
 - 3. Authorizing the Mayor of Centralia, Missouri to execute the amendment to the terms and conditions of the Electric Service Agreement with Illinois Power Marketing of Collinsville, Illinois (formerly known as Ameren Energy Marketing) regarding the required standby letter of credit. – Ordinance
Bill No. _____ Ordinance No. _____
 - D. Purchasing
 - 1. Approving lowest and best bid for grinding brush
- VIII. OLD BUSINESS
 - A. Granting permission for Duke Newstead to place a monument to U.S. Veterans on the Southwest corner of the City Square (City Park) near Allen Street.

- IX. NEW BUSINESS
 - A. Mayor
 - 1. Appointments
 - B. City Administrator
 - C. City Attorney
 - D. City Clerk

X. AS MAY ARISE

XI. ADJOURN

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Mayor Grenke called the regular meeting to order at 7:00 p.m.

Roll Call: Aldermen Don Bormann, James Lee, Andrea Vollrath, and Dick Ward answered roll call.

Absent: Aldermen Landon Magley and David Wilkins

Also present were City Administrator Matt Harline, City Attorney Merritt Beck, Police Lt. Bob Bias, James Smith with the Centralia Fireside Guard, and Linda Crigler with Central Bank of Boone County

Pledge of Allegiance:

Mayor Grenke led everyone in the pledge of allegiance.

CONSENT AGENDA:

Mayor Grenke asked for approval of the Consent Agenda in its entirety or any items to be pulled for comment or correction.

CONSENT AGENDA:

- A. Minutes of Prior Meetings - September 21, September 28, and October 5, 2015
- B. Minutes of Public Works and Public Utilities Committee Meeting – October 5, 2015
- C. Minutes of General Government Committee Meeting – October 12, 2015
- D. Minutes of the Planning & Zoning Commission Meeting – October 8, 2015
- E. Reports
 - 1. Treasurer's & Collector's Reports
 - 2. Activity Reports

Motion was made by Alderman Bormann to accept the consent agenda in its entirety. Alderman Lee seconded the motion. On a call by the Mayor for ayes and nays, the motion passed unanimously.

Accounts Payable over \$1250 was presented in the amount of \$358,452.94 as follows:

ACCOUNTS PAYABLE OVER \$1250

October 19, 2015

Ameren (Transmission Charges (Actual Jan 2015))	\$1,753.08
Ameren (Transmission Charges October)	\$17,095.10
Banner Fire (Fire Dept. charges)	\$1,904.65
BHMG (Boring Project)	\$4,333.66
C T "Tom " Fenton (Demo Reimbursement 310 W Railroad))	\$1,500.00
Charter Communications(St, Water, Elec Fire, RC, CH & PD)	\$1,306.96
Cross Midwest Tires (Unit # 81 Parts/Repairs)	\$1,339.38
Deluxe For Business (AP & Payroll checks)	\$1,446.04
H & R Russell Entr (Cemetery Mowing)	\$2,375.00
Hach (Rebuild entire Board)	\$1,325.79
Homebank (Refund due to utility adjustment)	\$2,782.91
MISO (Monthly & Transmission Charges)	\$3,931.52
MJMEUC (Prairie State Charges)	\$82,635.04
Norfolk Southern (Permit Fees)	\$9,400.00
NU- Life Laboratories (Calcium Chloride)	\$2,049.00

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Pitney Bowes (Postage)	\$2,500.00
US Bancorp (Fire Trk Payment Year 1)	\$44,000.00
TOTAL	\$181,678.13

ADDED AFTER GGFC MEETING

City Of Columbia (Landfill Charges)	\$8,689.06
Fletcher Reinhardt (Elec Dept. Supplies)	\$2,047.54
Illinois Power Marketing (Wholesale Electric)	\$130,719.01
MFA Oil (Fuel)	\$7,963.22
MSHP CJ Tech (Mules Oct*Nov*Dec)	\$1,620.00
UMB Bank (MAMU 08 Elect Substation Lease Pmt)	\$12,494.08
TOTAL:	\$163,532.91

ADDED TODAY

Fletcher Reinhardt (Elec Dept. Supplies)	\$2,751.90
Midwest Meter Inc. (Water Dept. Supplies)	\$2,550.00
General Code (Code Book Pages w/Updates)	\$2,985.00
	\$8,286.90
GRAND TOTAL	\$358,452.94

Alderman Bormann made the motion to approve the Accounts Payable over \$1250 in the amount of \$358,452.94. Alderman Ward seconded the motion. On a call by the Mayor for ayes and nays, the motion passed unanimously.

COMMENTS FROM CITIZENS:

The Comments from Citizens portion of the meeting was opened at 7:03 p.m. by Mayor Grenke.

Hearing no comments, the Comments from Citizens portion of the meeting was closed at 7:04 p.m. by Mayor Grenke.

REPORT FROM CHAMBER OF COMMERCE:

A report from the Chamber of Commerce was provided in the meeting packet. Grenke noted there had been a Chamber meeting on October 13th. Harline said there was a nice “No” from Elf on the Shelf that they couldn’t use the name.

PUBLIC HEARINGS:

Proposed Change to Rear Yard Setbacks in the R-1 Zoning District

The public hearing to change rear yard setbacks in the R-1 zoning district was opened at 7:05 p.m. by Mayor Grenke.

Harline said he did receive one email which was included in the meeting packet, and it was also introduced to the Planning and Zoning Commission. Harline also noted that the City advertised public hearings on this matter in September 30th edition of the Centralia Fireside Guard, with the hearings being held on October 8th and October 19th.

Hearing no further comments, the public hearing was closed at 7:06 p.m. by Mayor Grenke.

Proposed Increase to the Fees Assessed for an Appeal to the Board of Adjustment

The public hearing for the proposed increase to the fees assessed for an appeal to the Board of Adjustment was opened at 7:06 p.m. by Mayor Grenke.

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Harline stated that this public hearing had also been advertised in the Centralia Fireside Guard. He had received no written or verbal comments. Harline said there was a unanimous vote from Board of Adjustment to raise the fees, and the issue went on to the Planning & Zoning Commission who recommend it as well.

Hearing no further comments, the public hearing was closed at 7:07 p.m. by Mayor Grenke.

ACTION AGENDA:

Finance: None

Permits & Licensing: None

Legal:

ORDINANCE: Amending Section 18-37.1 of the Centralia City Code to Add Additional Spaces for Handicapped Parking on the City Square

Alderman Lee presented a bill marked and designated as bill no. 2775 to create an ordinance entitled "AN ORDINANCE TO AMEND SECTION 18-37.1 OF THE CENTRALIA CITY CODE TO ADD THREE HANDICAPPED PARKING SPACES ON PUBLIC PROPERTY." Alderman Lee moved that it be placed on its first reading by title only. Before the bill was introduced copies of the bill were made available for public inspection. Motion was seconded by Alderman Vollrath and motion carried unanimously. The bill was then read by title only. Alderman Lee moved the bill be placed on its second reading. Motion was seconded by Alderman Vollrath and motion carried unanimously. The bill was then read the second time by title only. The Mayor then called for discussion on the bill and after some discussion Alderman Lee moved the final passage of the bill. Alderman Bormann seconded the motion. The Mayor called for a roll call vote and the ordinance passed with the following vote. Aldermen voting FOR: Bormann, Lee, Vollrath, and Ward. Voting AGAINST: None. The Mayor declared the bill passed and thereupon signed the same as passed. The bill was approved by the Mayor and signed by the Mayor as approved and was returned to the City Clerk who attested to the signature of the Mayor, affixed the city seal and the Ordinance was designated as Ordinance 2829.

ORDINANCE: Amending Section 1-2 and Section 1-7 of the Centralia City Code to Define Minor Traffic Violations and to Set Limits on the Amount of Fines to be Collected and to Set Limits on Confinement (imprisonment)

Alderman Bormann presented a bill marked and designated as bill no. 2776 to create an ordinance entitled "AN ORDINANCE TO AMEND CENTRALIA CITY CODE SECTIONS 1-2 AND 1-7 REGARDING "MINOR TRAFFIC VIOLATIONS." Alderman Bormann moved that it be placed on its first reading by title only. Before the bill was introduced copies of the bill were made available for public inspection. Motion was seconded by Alderman Ward and motion carried unanimously. The bill was then read by title only. Alderman Bormann moved the bill be placed on its second reading. Motion was seconded by Alderman Vollrath and motion carried unanimously. The bill was then read the second time by title only. The Mayor then called for discussion on the bill and after some discussion Alderman Bormann moved the final passage of the bill. Alderman Ward seconded the motion. The Mayor called for a roll call vote and the ordinance passed with the following vote. Aldermen voting FOR: Bormann, Lee, Vollrath, and Ward. Voting AGAINST: None. The Mayor declared the bill passed and thereupon signed the same as passed. The bill was approved by the Mayor and signed by the Mayor as approved and was returned to the City Clerk who attested to the signature of the Mayor, affixed the city seal and the Ordinance was designated as Ordinance 2830.

ORDINANCE: Amending Section 31-20 B of the Centralia City Code to Change the Rear-Yard Setbacks in R-1 and R-2 Zoning Districts

Alderman Vollrath presented a bill marked and designated as bill no. 2777 to create an ordinance entitled "AN ORDINANCE TO AMEND SUBSECTION B OF SECTION 31-20 OF THE CENTRALIA CITY CODE TO CHANGE THE SETBACK DISTANCE IN THE R-1 ZONING DISTRICT." Alderman Vollrath moved that it be placed on its first reading by title only. Before the bill was introduced copies of the bill were made available for public inspection. Motion was seconded by Alderman Bormann and motion carried unanimously. The bill was then

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read by title only. Alderman Vollrath moved the bill be placed on its second reading. Motion was seconded by Alderman Bormann and motion carried unanimously. The bill was then read the second time by title only. The Mayor then called for discussion on the bill and after some discussion Alderman Vollrath moved the final passage of the bill. Alderman Bormann seconded the motion. The Mayor called for a roll call vote and the ordinance passed with the following vote. Aldermen voting FOR: Bormann, Lee, Vollrath, and Ward. Voting AGAINST: None. The Mayor declared the bill passed and thereupon signed the same as passed. The bill was approved by the Mayor and signed by the Mayor as approved and was returned to the City Clerk who attested to the signature of the Mayor, affixed the city seal and the Ordinance was designated as Ordinance 2831.

ORDINANCE: Amending Section 31-63 of the Centralia City Code to Increase the Fee for an Appeal to the Board of Adjustment

Harline noted that the fee for an appeal to the Board of Adjustment has not been changed from \$25 since 1961. He stated that advertisements alone are \$100 each, and expenses for the City total more than \$300, plus additional cost for mailing notices to residences and staff time. The fee will recoup about ¼ of the cost.

Alderman Ward presented a bill marked and designated as bill no. 2778 to create an ordinance entitled “AN ORDINANCE TO AMEND SECTION 31-63 OF THE CENTRALIA CITY CODE TO INCREASE THE FEE FOR AN APPEAL TO THE BOARD OF ADJUSTMENT.” Alderman Ward moved that it be placed on its first reading by title only. Before the bill was introduced copies of the bill were made available for public inspection. Motion was seconded by Alderman Vollrath and motion carried unanimously. The bill was then read by title only. Alderman Ward moved the bill be placed on its second reading. Motion was seconded by Alderman Vollrath and motion carried unanimously. The bill was then read the second time by title only. The Mayor then called for discussion on the bill and after some discussion Alderman Ward moved the final passage of the bill. Alderman Vollrath seconded the motion. The Mayor called for a roll call vote and the ordinance passed with the following vote. Aldermen voting FOR: Bormann, Lee, Vollrath, and Ward. Voting AGAINST: None. The Mayor declared the bill passed and thereupon signed the same as passed. The bill was approved by the Mayor and signed by the Mayor as approved and was returned to the City Clerk who attested to the signature of the Mayor, affixed the city seal and the Ordinance was designated as Ordinance 2832.

RESOLUTION: Adopting a Formal Written Policy Resolution for Reimbursement for Maintaining a Personal Mobile Phone for Certain Employees of the City of Centralia, Missouri

Alderman Lee presented a bill marked and designated as bill no. 2779 to create a resolution entitled “A RESOLUTION OF THE CITY OF CENTRALIA, MISSOURI, ADOPTING A FORMAL WRITTEN POLICY FOR REIMBURSEMENT OF EXPENSES RELATED TO MAINTAINING A PERSONAL MOBILE PHONE FOR CERTAIN EMPLOYEES OF THE CITY OF CENTRALIA, MISSOURI.” Alderman Lee moved that it be placed on its first and only reading by title only. Before the bill was introduced copies of the bill were made available for public inspection. Motion was seconded by Alderman Bormann and motion carried unanimously. The bill was then read by title only. The Mayor then called for discussion on the bill and after some discussion Alderman Lee moved the final passage of the bill. Alderman Bormann seconded the motion. The Mayor called for a roll call vote and the ordinance passed with the following vote. Aldermen voting FOR: Bormann, Lee, Vollrath, and Ward. Voting AGAINST: None. The Mayor declared the bill passed and thereupon signed the same as passed. The bill was approved by the Mayor and signed by the Mayor as approved and was returned to the City Clerk who attested to the signature of the Mayor, affixed the city seal and the Resolution was designated as Resolution R-15-06.

Purchasing: None

ORDINANCE: Authorizing the Mayor of the City of Centralia, Missouri to Execute an Agreement with Growth Services Group, LLC of Moberly, Missouri for a Market Feasibility Study (hotel) in the Total Amount of Seven Thousand Dollars and No Cents (\$7,000) with One-Third of the Cost to be Borne Each by CREDI and the Centralia Area Chamber of Commerce

Alderman Bormann presented a bill marked and designated as bill no. 2780 to create an ordinance entitled “AN ORDINANCE AUTHORIZING THE MAYOR OF THE CITY OF CENTRALIA, MISSOURI TO EXECUTE AN AGREEMENT WITH GROWTH SERVICES GROUP, LLC OF MOBERLY, MISSOURI FOR A MARKET

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FEASIBILITY STUDY (HOTEL).” Alderman Bormann moved that it be placed on its first reading by title only. Before the bill was introduced copies of the bill were made available for public inspection. Motion was seconded by Alderman Vollrath and motion carried unanimously. The bill was then read by title only. Alderman Bormann moved the bill be placed on its second reading. Motion was seconded by Alderman Ward and motion carried unanimously. The bill was then read the second time by title only. The Mayor then called for discussion on the bill and after some discussion Alderman Bormann moved the final passage of the bill. Alderman Lee seconded the motion. The Mayor called for a roll call vote and the ordinance passed with the following vote. Aldermen voting FOR: Bormann, Lee, Vollrath, and Ward. Voting AGAINST: None. The Mayor declared the bill passed and thereupon signed the same as passed. The bill was approved by the Mayor and signed by the Mayor as approved and was returned to the City Clerk who attested to the signature of the Mayor, affixed the city seal and the Ordinance was designated as Ordinance 2833.

ORDINANCE: Accepting the Proposal of Central Bank of Boone County and Authorizing Preparation of Documents and Other Actions Related to the Lease Purchase Agreement Refunding the Current Certificate of Participation of the City and Financing Capital Improvements to the Municipal Pool

Harline stated that there was a memo provided in packet that explains choosing Central Bank of Boone County. This is the recommendation of the Park Board, and is the easiest of the options to refinance should interest rates be low in the future.

Alderman Vollrath presented a bill marked and designated as bill no. 2781 to create an ordinance entitled “AN ORDINANCE AUTHORIZING THE PREPARATION OF DOCUMENTS AND THE TAKING OF ACTIONS RELATED TO A LEASE PURCHASE TRANSACTION TO PAY COSTS OF REFUNDING AN OUTSTANDING SERIES OF CERTIFICATES OF PARTICIPATION OF THE CITY OF CENTRALIA, MISSOURI AND TO PAY COSTS OF RENOVATING AND IMPROVING THE CITY’S PUBLIC SWIMMING POOL; AND DECLARING AN INTENT TO REIMBURSE CERTAIN CAPITAL EXPENDITURES FROM PROCEEDS OF THE LEASE PURCHASE TRANSACTION.” Alderman Vollrath moved that it be placed on its first reading by title only. Before the bill was introduced copies of the bill were made available for public inspection. Motion was seconded by Alderman Ward and motion carried unanimously. The bill was then read by title only. Alderman Vollrath moved the bill be placed on its second reading. Motion was seconded by Alderman Ward and motion carried unanimously. The bill was then read the second time by title only. The Mayor then called for discussion on the bill and after some discussion Alderman Vollrath moved the final passage of the bill. Alderman Ward seconded the motion. The Mayor called for a roll call vote and the ordinance passed with the following vote. Aldermen voting FOR: Bormann, Lee, Vollrath, and Ward. Voting AGAINST: None. The Mayor declared the bill passed and thereupon signed the same as passed. The bill was approved by the Mayor and signed by the Mayor as approved and was returned to the City Clerk who attested to the signature of the Mayor, affixed the city seal and the Ordinance was designated as Ordinance 2834.

Harline said he will prepare all documents and will have them ready for approval at the November 16th meeting.

Crigler left the meeting at 7:34 p.m.

Accepting the Best Bid for Electric Poles

Bids were received as follows for forty-three class 4, 40 foot electric poles:

- Kisatchie Treating - \$12,255.00
- Thomasson Company - \$10,535.00
- Bridgewell Resources - \$11,773.40

After some discussion, Alderman Bormann made a motion to accept the bid from Thomasson Company for forty-three class 4, 40 foot electric poles in the amount of \$10,535.00. Alderman Vollrath seconded the motion. On a call by the Mayor for ayes and nays the motion carried unanimously.

Accepting the Bid from WesTech for a Replacement Aerator for the City of Centralia, Missouri Water Treatment Plant

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After some discussion, Alderman Bormann made a motion to purchase the replacement aerator from WesTech in the amount of \$50,000. Alderman Vollrath seconded the motion. On a call by the Mayor for ayes and nays the motion carried unanimously.

OLD BUSINESS:

NEW BUSINESS:

Mayor:

Appointments:

Mayor Grenke reappointed Lorry Meyers and Harvey Million to the EEZ board for 5 year terms. Alderman Vollrath made a motion to accept the Mayor's reappointment of Lorry Meyers and Harvey Million to the EEZ board for 5 year terms. Alderman Ward seconded the motion. On a call by the Mayor for ayes and nays the motion carried unanimously.

City Administrator:

Harline mentioned that he would like to get a plan figured out with Grenke and Bormann to get to Odessa next Wednesday for the MML meeting. He stated he had sent out an email today regarding doing another retreat like the Board did last year. There was some discussion regarding available dates.

Dudgeon entered the meeting at 7:43 p.m.

City Attorney:

Beck mentioned that daylight savings time ends on November 1st.

City Clerk:

Russell gave an update on the new Facebook page.

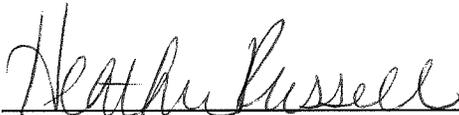
AS MAY ARISE

Bias said that on the same day as the next General Government and Public Safety committee meeting the School Board will recognize police officers and school personnel involved in life saving efforts of the middle school girl. Dudgeon said he would like to see any Board members there as possible, and said the school board meeting starts at 6 p.m. Grenke said he will talk to School Board to see where it is at on the agenda.

Grenke questioned if the sale of the police car had been finalized. Harline said that it had been.

There being no further business to discuss, Alderman Vollrath made the motion to adjourn. Alderman Ward seconded the motion. On a call by the Mayor for ayes and nays the motion carried unanimously.

The meeting was adjourned at 7:49 p.m.



Heather Russell, City Clerk

Minutes of the Public Works and Public Utilities Committee for Monday, November 2, 2015.

The meeting was called to order by Alderman, Andrea Vollrath, Chairperson at 7:00 p.m. Present also were Mayor Tim Grenke, Aldermen Landon Magley, Don Bormann and Jim Lee. Also attending were Matt Harline, Phil Hoffman, Mike Forsee, Mark Mustain, Jon Lauer, Lisa Lauer, Amanda Smith, Richard Petty, Jerry Johnson, Sue Johnson, three other people and James Smith of the Fireside Guard.

Pledge of Allegiance Those present recited the pledge.

Comments from Citizens. Jon Lauer, 17 Mayes Meadows spoke about the deterioration of the streets and storm sewers, curbs and gutters on Mayes Meadows. Lauer said that the City started the project five years ago and pulled off and that he had paid taxes and this was the City's responsibility to fix. Lauer said that Aldermen Bormann had been out there and seen it. Lauer said that he knew other new subdivisions got new streets. Bormann noted that the developers pay the full cost for installing the new streets. Lauer asked about Switzler Street and wondered where his tax dollars were going. Bormann noted that a new street had been built for the school and Switzler Street was built because of the high traffic volume and that funds had been used on those streets. Bormann added that the City was catching up on overlays after those projects. Lauer continued to express his desire to have Mayes Meadow repaired and expressed concern over potential lawsuits against the City. Harline noted that the City did an annual inventory and that the City was aware that Mayes Meadow was in need of repair but other streets like Eastmont, Briarwood, Westwind, and South Central Street are also in need. Harline noted that we had a direct appeal from our largest employer to rebuild Switzler Street to be able to handle truck traffic. Harline noted that Mayes Meadow would require curb and gutter work first and maybe some patches before overlay. Lauer asked the City to complete the work they started.

Amanda Smith of 4 Mayes Meadows noted that she runs an in-home day care with four kids in addition to her own and when there is a heavy rain they have to cross a large amount of water. She expressed concern for the safety of those children and others.

Sue Johnson 2 Mayes Meadows noted that Dan Hamilton had visited the neighborhood when he was on the Board of Aldermen. Johnson stated that her main concern was the storm drain and the neighbors had to clear the drain every time it rains heavily. Johnson said they have a nice neighborhood and the condition of the street has gotten to the point that it is dangerous. Mayor Grenke said that the City had limited funds and we have to prioritize. Grenke added that the visit by the neighbors would light a fire under them to get it fixed in the next budget. Harline noted that the budget estimate for an overlay on that street is \$47,000. Several people noted that there was work that would need to be done before an overlay.

Public Works

Activity Report Vollrath asked for comments and questions and there were none.

STREETS

Jefferson Street Sidewalk Project Update. Harline reported that project was moving forward quietly but on schedule. MODOT had approved the project design and they have cleared the project for acquisition of right-of-way and he would be meeting with MECO to start that process soon. Harline reported that there would be three acquisitions of temporary construction easements. Harline noted that the project bid documents needed to be ready in three months and MODOT's deadline for accepting the best bid is June 1, 2016. Harline said that he felt that

we would like to be ahead of that time line and have construction begin shortly after school lets out for summer and that he felt confident that we could stick to that time line. Harline noted that the City had paid three invoices and had been reimbursed 80% by MODOT already.

SANITATION

Vollrath asked for comments and questions and there were none.

STORM SEWER

Vollrath asked for comments and questions and there were none. Hoffman noted that he had a few small projects going with homeowners and one on Bruton.

Water and Sewer Department

Activity Report Vollrath asked for comments and questions on the monthly report and Lee asked about when the aerator would be in. Harline stated that it would be next spring.

WATER

Vollrath asked for comments and questions on the monthly report and there were none.

SEWER

Vollrath asked for comments and questions on the monthly report and there were none.

Electric Department

Activity Report Vollrath asked for comments and questions about the activity report. Grenke asked how many households had not been turned back on yet. Mustain and Harline noted that there were always a couple that were read out and the account closed but they didn't think anyone was without service due to non-payment.

UPDATE ON UNDERGROUND CONDUIT INSTALLATION Harline stated that it had been a long and difficult process but they were close to getting a start date. Harline reported that DNR was not comfortable with the having the boring slurry placed in the pond so we would find other options.

OTHER

Long term power supply contract Harline reported that Mark Mustain and he attended a meeting on Wednesday, October 21 in Hannibal. Harline reported that he learned from the representative of AEP (Vince Findley) about using solar power array generation as part of our capacity requirements. Harline added that the long term (now three years) forecast is for good rates for power purchases. Harline added that the next contract is likely to not be with Dynergy based on proposals. Bormann asked about Hannibal. Harline replied that Hannibal was out of the deal and that they were going their own way. Harline added that the forecast for energy was good and one of the main reasons was the low cost of natural gas. Harline reported that he asked Findley of AEP about the how the costs for energy, capacity and transmission and he thought it could be 1/3rd each in the ten years. Harline explained the value of the 2 Megawatts of capacity we have with Prairie States.

Other

After asking for a consensus for a good time to meet on November 14 and finding no time that worked for everyone, Harline said he would send out suggestions for a weekend in December.

Harline stated that the Mayor, Bormann and he had RSVP'd yes for the Boone County Municipal

and that he had to let the County know tomorrow if anyone else wanted to go. Lee indicated that he would like to go.

Mayor Grenke noted that he was holding a coffee with the Mayor on Saturday the 7th from 9:00 to 11:00 a.m. at Grinder's Bakery.

As May Arise

None.

Magley made a motion to adjourn the meeting that was seconded by Bormann and approved by unanimous voice vote.

The Committee adjourned 7:36 p.m.

Minutes of the General Government and Public Safety Committee meeting of Monday, November 9, 2015.

The meeting was called to order by Chairman, David Wilkins at 7:00 p.m. Present also were Aldermen Dick Ward, Andrea Vollrath, Jim Lee and Don Bormann. Also attending were City Administrator Matt Harline, Fire Chief Denny Rusch, James Smith of the Fireside Guard. Mayor Tim Grenke, Alderman Landon Magley and Police Chief Larry Dudgeon arrived later.

Those present participated in the Pledge of Allegiance.

Comments from Citizens – None.

Police Department

Wilkins asked if there were any questions and there were none. Harline noted that Chief Dudgeon would be arriving late as he was participating in an awards presentation at the School Board meeting.

Fire Department

Wilkins asked if there were any questions or comments. Bormann noted the large number of alarm calls. Rusch noted that sometimes it is the beeping of an alarm that made as the battery was dying. Rusch noted that they did the Halloween candy handout on Saturday, not Friday when the Chamber did it. Chief Rusch said that next year they might do there Trick-or-Treat on Monday at 2:00 with the Chamber because they saw a lot kids from out of town on Saturday night.

Emergency Management – None.

Protective Inspection

Update on 110-114 East Railroad Street: Harline stated the City staff and staff at the Boone County Resource Management have agreed to allow Clifford De La Rosa to reopen the permit that was closed in November 2005 for lack of activity. Harline added that the building code at the time stated that activity had to continue and an inspection must take place every six-months and since no inspections had been requested the permit was closed. Harline said that De La Rosa had been told at trial that since the Centralia City Code did not specify a time that a building permit closed he was told it was evergreen. Harline stated that in the letter that he sent to De La Rosa in September, he made it clear that De La Rosa could reopen the permit and continue under the code that was in place at the time of his original 2004 building permit. Harline said he sent a new letter restating that the permit needed to be reopened and that if it was not, the permit would be considered closed and the City could proceed with declaring the building a dangerous building. Harline added that this second letter was sent registered mail. Harline noted that the County suggested having the building condemned by the Fire Marshall. Rusch suggested that the City contact the State Fire Marshall since the City has never attempted to assert that authority. Harline said that the City would continue to pursue the rehabilitation or demolition of the building.

Rusch left for an emergency call.

Economic Development

CREDI Wilkins noted that the minutes from the last meeting were in the packet.

Grenke and Magley arrived.

Feasibility Study Update Harline stated that Growth Services Group had begun their work. Harline said he was preparing a list of people for interviews, which are critical to the process. He said that once the report is in hand then we would hope to proceed toward a ribbon cutting.

Park Department

Refinancing/Pool Renovations Status – IDA Board Meeting Harline explained that the City had accepted the proposal of Central Bank of Boone County but due to the nature of the proposal, it required a third party intermediary to accept the loan. The bank did not have structure that would work so the City would utilize the Industrial Development Authority (IDA). Harline said that the IDA would lease the recreation facility and the IDA would use that as collateral for the loan which they would use to do the improvements to the pool. The IDA would lease the Rec Center back to the City to operate. Harline said that the documents were being drawn up and the IDA Board of Directors will meet next Monday (November 16) prior to the Board's meeting and approve them. Harline said that the Board would then approve similar agreements to complete the deal. Harline reported that some demolition work was already underway.

Chief Dudgeon arrived.

Cemetery Advisory Committee - No report.

Tree Board

No report.

Library Board

Wilkins noted that there was an agenda and minutes in the packet. Harline reported that they were considering a bond issue either as a City or Library bond issue but had not decided what projects they wanted to pursue or which type of financing they wanted to use. Harline noted that the bond issue would be a topic of discussion at the meeting.

Finance

Financial statements for October were in the agenda packet. Harline said sales tax and utility fees were in line with the budget pretty well. Harline noted that the tipping fee in Columbia had been increased to to \$44/ton. Harline said that he may want to bring other options to the Committee for tipping fee including Love's Transfer station east of Mexico. There was a brief discussion about the other options.

Bills over \$1,250

Committee received a preliminary list of bills over \$1,250.

Other General Government

Retreat items Harline asked if December 12th late morning to early afternoon would work as a date for retreat for everyone. There was general agreement that time would work.

As May Arise

Wilkins noted that there were three months' worth of activity reports and that he found them useful.

Grenke noted that he and Alderman Magley and Chief Dudgeon had attended a very nice ceremony honoring those that had saved a little girl's life at the Chester Boren Middle School.

Magley asked about the status of the survey. Harline replied that the City had received about 180 surveys on paper and about a dozen on line. Harline stated he planned to have results ready by next Monday's meeting.

Harline stated in response to a question from Grenke that we do have a start date for the boring and that is November 30th. Harline added that the deadline to avoid additional costs from Kansas City Southern was December 10th and he felt they could complete the project before then. In answer to a question from Magley, Harline stated that he was not worried about frozen ground being a problem since most of the boring would be ten feet underground.

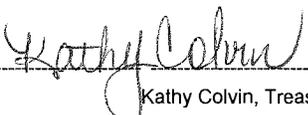
Grenke noted that he had held a Coffee with the Mayor the past Saturday and passed on some service requests. He added that State Representative Caleb Rowden had attended as well.

Magley noted that the street cut on the 600 block of Green Street had not yet been repaired to City standard with concrete.

Vollrath made a motion to adjourn the Committee meeting. Ward seconded the motion which was then approved by unanimous voice vote. The Committee then adjourned at 7:41 p.m.

CITY OF CENTRALIA, MISSOURI
 TREASURER'S REPORT
 CASH - CHECKING ACCOUNTS
 FOR THE MONTH OF OCTOBER, 2015

	BEGINNING BALANCE	RECEIPTS	DISBURSEMENTS	ENDING BALANCE	INVESTMENTS	TOTAL
GENERAL FUND	339,488.39	211,744.65	(197,774.87)	353,458.17	200,000.00	553,458.17
POOL	(10,393.61)	605.28	(1,159.85)	(10,948.18)		(10,948.18)
PARK	12,254.42	1,136.33	(22,081.06)	(8,690.31)	0.00	(8,690.31)
RECREATON CENTER	197,787.12	20,810.30	(20,712.71)	197,884.71	0.00	197,884.71
LIBRARY	0.00	20,151.20	(20,151.20)	0.00	0.00	0.00
LIBRARY DEBT SERVICE	0.00	101.54	(101.54)	0.00	26,780.69	26,780.69
CEMETERY	222,248.25	11,243.93	(4,089.13)	229,403.05	200,000.00	429,403.05
AVENUE OF FLAGS	4,787.20	200.95	(26.00)	4,962.15	0.00	4,962.15
TRAN. SALES TAX REVENUE	133,575.35	92,554.25		226,129.60	0.00	226,129.60
PARK SALES TAX	171,340.75	15,381.90		186,722.65	0.00	186,722.65
WATER-OPERATING	434,030.24	56,326.24	(39,458.94)	450,897.54	0.00	450,897.54
WATER-SECURITY DEPOSIT	15,703.00	1,155.85	(1,255.85)	15,603.00	0.00	15,603.00
SANITATION (LANDFILL)	212,567.88	36,833.48	(29,441.18)	219,960.18	0.00	219,960.18
SEWER	194,855.60	22,077.99	(14,786.30)	202,147.29	0.00	202,147.29
ELECTRIC-OPERATING	431,619.50	350,590.89	(330,574.27)	451,636.12	600,000.00	1,051,636.12
ELECT.-SECURITY DEPOSIT	36,420.00	2,001.06	(2,726.06)	35,695.00	0.00	35,695.00
CAPITAL PROJECTS	11,370.64	197.45		11,568.09	0.00	11,568.09
INTERNAL SERVICE:						
PERSONNEL	(160,887.31)	2,748.30		(158,139.01)		(158,139.01)
FINANCIAL	0.00	15,258.92	(15,258.92)	0.00		0.00
EQUIPMENT USE	487,823.96	27,298.60	(17,025.63)	498,096.93		498,096.93
TOTAL	2,734,591.38	888,419.11	(716,623.51)	2,906,386.98	1,026,780.69	3,933,167.67
A. B. Chance Memorial	1,424.45	83,103.77	(81,366.22)	3,162.00	239,191.53	242,353.53
PARK LEASE/PURCHASE	162,123.03			162,123.03	0.00	162,123.03
MAMU 08 Electric Substation						
COP Project Fund	0.00			0.00	0.00	0.00
COP Int. Reserve Acct.	37,663.47			37,663.47	0.00	37,663.47


 Kathy Colvin, Treasurer

City of Centralia Activity Reports

October 2015

Prepared By: Phyllis Brown

BUILDING ADMINISTRATION

Permit Data	Oct-15	Apr 2015 - Mar 2016 Totals
New Residential & Duplex	3	14
Residential Additions, Alterations, Repairs, Elec Upgrade	2	20
Residential Storage Buildings/Fences/Carport/Swimming Pools/Detached Garage	4	18
New Commercial Buildings		3
Non Residential Additions, Alterations, Repairs, Elec Upgrade, New Sign		5
Courtesy Inspections - New Trailers/Gas Lines	1	1
Renewal		
New Institutional		
Institutional Additions, Alterations, Repairs		
New Community Recreation Center		
Commerical Electrical Inspection		
Pole Barn		
Building Permit Summary		
Number of Permits Issued	10	61
Permit Valuation	\$442,550.00	\$4,714,309.00

ACTIVITY REPORT

		Oct-15						FYTD TOTALS	
		10/09/15		10/23/15		OCT TOTAL HOURS			
		HOURS		HOURS					
Cost Center #	DESCRIPTION	REG	OT	REG	OT	REG	OT	REG	OT
		Office	1121 Court	27.50	0.00	6.50	0.00	34.00	0.00
	1142 Clerical	45.00	8.50	36.75	5.50	81.75	14.00	574.50	78.00
	1162 Payroll	9.25	3.00	18.75	2.50	28.00	5.50	255.50	43.75
	1163 Purchasing	24.00	3.00	25.00	1.75	49.00	4.75	260.25	44.25
	1165 Accounting	41.50	0.00	34.50	0.00	76.00	0.00	581.25	7.25
	6121 Cashier & Collecting	172.00	27.50	166.50	14.25	338.50	41.75	2,454.50	244.75
	<i>Central Office Monthly Total</i>	319.25	42.00	288.00	24.00	607.25	66.00	4,261.00	422.00

Street	1311 Administrative - Street	14.00	0.00	10.00	2.50	24.00	2.50	288.00	19.25
	1312 Street Maintenance	4.00	3.00	106.50	0.00	110.50	3.00	772.50	39.50
	1313 Alley Maintenance	2.00	0.00	0.00	0.00	2.00	0.00	21.00	0.00
	1314 Parking Lots/Sidewalks	96.00	1.50	0.00	0.00	96.00	1.50	243.75	5.25
	1315 Buildings/Grounds	5.00	1.00	1.50	0.00	6.50	1.00	53.00	1.00
	1316 Snow/Ice Removal	0.00	0.00	3.00	1.00	3.00	1.00	129.00	1.75
	1317 Pavement Markings	3.50	0.00	0.00	0.00	3.50	0.00	101.50	0.00
	1318 Culverts	15.00	0.00	20.50	2.00	35.50	2.00	640.50	5.00
	1319 Brush/Tree Control	3.00	0.00	0.00	0.00	3.00	0.00	328.00	33.25
	1331 Streets & Alleys; City Property	35.00	2.00	37.50	0.00	72.50	2.00	320.00	6.50
	2211 Cemetery	4.00	4.00	1.00	0.00	5.00	4.00	77.50	54.00
	<i>Street Department Monthly Total</i>	181.50	11.50	180.00	5.50	361.50	17.00	2,974.75	165.50

Water	3111 Administrative - Water	17.50	6.00	26.00	11.00	43.50	17.00	303.00	112.50
	3112 Customer Service - Water	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	3113 Water Wells - Maintenance	0.00	0.00	8.00	0.00	8.00	0.00	42.00	2.00
	3116 Water Service	133.50	13.00	61.50	6.00	195.00	19.00	1,623.50	105.00
	3117 Water Plant	118.50	0.00	153.50	0.00	272.00	0.00	1,277.50	14.00
	3119 Water Wells - Buildings/Grounds	1.00	0.00	0.00	0.00	1.00	0.00	20.00	0.00
	3121 Administrative - Sewer	2.00	0.00	0.00	0.00	2.00	0.00	7.00	2.00
	3123 Sewer	11.00	0.00	1.00	0.00	12.00	0.00	293.00	28.00
	3125 Lift Stations	9.00	0.00	15.00	0.00	24.00	0.00	256.50	0.00
	3127 Lagoons	7.50	0.00	35.00	0.00	42.50	0.00	345.00	0.00
	3128 Land Application	11.00	0.00	0.00	0.00	11.00	0.00	172.50	8.25
		<i>Water Department Monthly Total</i>	311.00	19.00	300.00	17.00	611.00	36.00	4,340.00

Electric	3131 Administrative - Electric	29.00	0.00	30.00	4.00	59.00	4.00	593.00	25.50
	3132 Customer Service - Electric	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	3133 Buildings/Grounds	4.00	0.00	9.00	6.00	13.00	6.00	173.50	88.50
	3134 Electric Distribution	261.00	0.00	290.00	0.00	551.00	0.00	3,361.50	261.75
	3138 Brush/Trees	63.75	0.00	28.50	0.00	92.25	0.00	877.50	9.25
	3139 Street Lights	18.00	0.00	5.00	0.00	23.00	0.00	188.00	2.00
	<i>Electric Department Monthly Total</i>	375.75	0.00	362.50	10.00	738.25	10.00	5,193.50	387.00

ACTIVITY REPORT

			Oct-15						FYTD TOTALS	
			10/09/15		10/23/15		OCT TOTAL HOURS			
			HOURS		HOURS		HOURS			
Cost Center #	DESCRIPTION	Pay Date	REG	OT	REG	OT	REG	OT	REG	OT
			Sanitation	3322 Sanitation		185.50	1.00	187.75	1.00	373.25
	3323 Landfill		43.50	4.00	41.00	3.00	84.50	7.00	167.50	82.75
	<i>Sanitation Department Monthly Total</i>		229.00	5.00	228.75	4.00	457.75	9.00	3,183.50	202.50

Holiday/Sick/Vacation/Funeral										
	6111	Holiday	24.00	0.00	3.00	0.00	27.00	0.00	679.00	0.00
	6112	Sick Time	8.00	0.00	80.75	0.00	88.75	0.00	506.25	0.00
	6113	Vacation	8.25	0.00	35.00	0.00	43.25	0.00	873.25	0.00
	6119	Funeral Leave	4.50	0.00	0.00	0.00	4.50	0.00	119.50	0.00
	<i>Holiday/Sick/Vacation/Funeral Leave Monthly Total</i>		44.75	0.00	118.75	0.00	163.50	0.00	2,178.00	0.00

Equipment Use:										
	6212	Equipment/Vehicle Maintenance	19.00	0.00	4.50	0.00	23.50	0.00	400.50	7.50
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<i>Equipment Use Monthly Total</i>		19.00	0.00	4.50	0.00	23.50	0.00	400.50	7.50

Total Hours Worked			1,480.25	77.50	1,482.50	60.50	2,962.75	138.00	22,531.25	1,456.25
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Assistance For The Month (Hours are already included above)	Administration		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Electric Dept Assisted The Fire Dept		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Electric Dept Assisted The Fire Dept		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Electric Dept Assisted The Park Dept		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Electric Dept Assisted The Park Dept		0.00	0.00	0.00	0.00	0.00	0.00	0.00	16.00	0.00
	Electric Dept Assisted The Police Dept		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Electric Dept Assisted The Sanitation Dept		0.00	0.00	0.00	0.00	0.00	0.00	0.00	16.00	0.00
	Electric Dept Assisted The Street Dept		13.00	0.00	19.00	0.00	32.00	0.00	61.00	0.00	0.00
	Electric Dept Assisted The Water Dept		0.00	0.00	1.00	0.00	1.00	0.00	104.50	8.25	0.00
	Police Dept Assisted The Sanitation Dept		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Street Dept Assisted City Hall		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Street Dept Assisted The Electric Dept		4.00	0.00	11.50	0.00	15.50	0.00	186.75	0.00	0.00
	Street Dept Assisted The Park Dept		4.00	0.00	9.50	0.00	13.50	0.00	74.00	5.25	0.00
	Street Dept Assisted The Police Dept		0.00	0.00	12.00	1.00	12.00	1.00	23.00	1.25	0.00
	Street Dept Assisted The Water Dept		0.00	0.00	0.00	0.00	0.00	0.00	9.00	0.00	0.00
	Water Dept Assisted The Electric Dept		0.00	0.00	0.00	0.00	0.00	0.00	25.50	2.00	0.00
	Water Dept Assisted The Sanitation Dept		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Water Dept Assisted The Street Dept		0.00	0.00	0.00	0.00	0.00	0.00	16.00	0.00	0.00
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours Assisted		21.00	0.00	53.00	1.00	74.00	1.00	531.75	16.75	0.00	

WATER DEPARTMENT EQUIPMENT USE

		Oct-15		TOTAL ON EQUIPMENT	
EQUIPMENT USAGE	MILEAGE	HOURS	MILEAGE	HOURS	
# 3 1993 Ford F-700 Dump Truck	838.0		59691.0		
# 6 2006 Chev Silverado Pickup	784.0		92930.0		
# 19 2011 Chev Silverado Pickup	697.0		50193.0		
# 40 Sewer Machine		3.3		356.9	
# 42 1984 Homelite Trash Pump		0.0		1221.2	
# 74 Sewer Camera Van		25.0		2495.8	
# 82 1992 UMC Sewer Van	25.6		89339.6		
# 83 Vac Trailer (Feb 2013 Water Dept reporting now; not Elec Dept)		0.0		189.9	
# 87 2013 Chevy 1/2 Ton	1821.0		43401.0		
WELL PERFORMANCE REPORT	75 H.P. WELL #3		125 H.P. WELL #4		
1. Static Level-Average		356 FT			362 FT
2. Pumping Level		406 FT			377 FT
3. Drawdown		50 FT			15 FT
4. G.P.M.		433			730
5. Total Hours Pumping		0			419.6
WELL PERFORMANCE REPORT	125 H.P. WELL #6				
1. Static Level-Average		368 FT			
2. Pumping Level		383 FT			
3. Drawdown		15 FT			
4. G.P.M.		730			
5. Total Hours Pumping		0			
WATER	Oct-15		Sep-15		
1. Monthly Well Water Processed (Raw Water #3, #4 & #6)		17,165,100			19,608,000
2. Total Well Water Process Apr 2014 - Mar 2015					
3. Monthly Recycled Water Processed		0			0
4. Total Recycled Water Processed Apr 2014 - Mar 2015		0			0
5. Total Water Processed for Month		17,165,100			19,608,000
6. Average Daily Processed		553,713			653,600
a. High Day Raw Water		698,000			999,000
b. Low Day Raw Water		523,000			490,000
7. Total Water Processed Apr 2014 - Mar 2015		120,813,000			103,647,900
8. Finished Water to Towers for Month		16,372,000			16,566,000
9. Finished Water to Towers Apr 2014 - Mar 2015		110,849,000			94,477,000
NORTHEAST LAGOON PERFORMANCE	Oct-15		Sep-15		
1. Influent BOD (MG/L)					
2. Effluent BOD (MG/L)					
3. % BOD Removal					
4. Influent Suspended Solids (MG/L)					
5. Effluent Suspended Solids (MG/L)					
6. % Suspended Solids Removal					
7. Effluent Discharge to Creek		NO			NO
8. Monthly Gallons Treated		1,610,000			9,315,000
9. Yearly Gallons Treated Apr 2014 - Mar 2015		40,817,000			39,207,000
10. Monthly Irrigation Water Pumped		0			0
11. Yearly Irrigation Water Pumped Apr 2014 - Mar 2015		0			0
NORTHWEST LAGOON PERFORMANCE	Oct-15		Sep-15		
1. Influent BOD (MG/L)					
2. Effluent BOD (MG/L)					
3. % BOD Removal					
4. Influent Suspended Solids					
5. Effluent Suspended Solids					
6. % Suspended Solids Removal					
7. Effluent Discharge to Creek		NO			NO
8. Monthly Gallons Treated		0			14,480,000
9. Yearly Gallons Treated Apr 2014 - Mar 2015		39,993,000			39,993,000
10. Monthly Irrigation Water Pumped		0			0
11. Yearly Irrigation Water Pumped Apr 2014 - Mar 2015		0			0

STREET EQUIPMENT USE

	Oct-15		Apr 2015 - Mar 2016 Totals	
TRASH COLLECTED ON DAILY ROUTES (Pounds)	406,460		2,703,460	
	Oct-15		Apr 2014 - Mar 2015 Totals	
EQUIPMENT USE	MILEAGE	HOURS	MILEAGE	HOURS
#1 - 1989 John Deer 670B Motor Grader		4.0		3,011.0
#4 - 2002 Feightline Dump Truck	319.0		58,073.0	
#10 - 2008 1-Ton Chevrolet	317.0		34,832.0	
#13 - 2004 Freightliner Sanitation Truck	369.0		84,006.0	
#15 - 1990 Case Model 1550 Long Track Dozer		2.0		3,407.0
#18 - 2001 Dodge 2500 Pickup	110.0		73,653.0	
#25 - 2010 Chevy Pickup Silverado	423.0		29,045.0	
#50 - 1997 Gilcrest Propaver		0.0		587.0
#76 - 2008 International Dump Truck	951.0		25,761.0	
#77 - 2013 International Dump Truck	995.0		12,890.0	
#81 - 2009 John Deere Tractor w/Mower		55.0		2,123.0
#85 - 1997 Ford Truck Street Sweeper		7.0		6,442.0
#89 - 2013 Freightline Trash Truck	958.0		32,536.0	
#90 - 2014 New Holland B95C Backhoe <i>Purchd Feb 2014</i>		19.0		387.0
#91 - 2015 Chevy 3/4 Ton Pickup <i>Purchd 05/21/2014</i>	203.0		3,841.0	
#123 - 2015 John deere 524 Wheel Loader <i>Purchd 04/20/2015</i>		33.0	178.0	

ELECTRIC EQUIPMENT USE

EQUIPMENT USE	Oct-15		APR 2015 - MAR 2016 TOTALS	
	MILEAGE	HOURS	MILEAGE	HOURS
#26 - 2003 International/Altec Digger Derrick		30.0		3990.0
#27 - 2009 Ford F-550 w/Altec AT40M Aerial Lift Device		71.0		4048.0
#29 - 2001 Ford Altec (+51 hr)		49.0		6064.0
#32 - 2006 Chev Silverado Truck	700.0		63030.0	
#34 - 2000 Chevrolet 1 Ton Truck (+200 mi)	40.0		70400.0	
#38 - 2010 Chevy Pickup 3/4-Ton w/Tool Bed	550.0		36775.0	
#75 - 2008 Kubota Mini Ex		11.0		1674.0
#84 - 2011 Bobcat A770		2.0		926.0
#88 - 2012 Altec DC1317 Series Chipper		15.0		345.0

ACCOUNTS PAYABLE OVER \$1250

November 16, 2015

ACE Pipe Cleaning (Storm Sewer lined/Geno Chance/Jefferson)	\$66,000.00
Ameren (Transmission Charges)	\$26,396.52
Angell & Co (Property Ins Chubb Ins)	\$28,345.00
Bobcat (Unit # 84 Parts/Repairs)	\$1,498.76
CUSI (Annual Maintenance)	\$2,050.00
Division of Employment Security (R Farrens Un-employment)	\$2,158.00
Growth Service Group (Initial 25% Payment Hotel Feasibility Study)	\$1,750.00
H & R Russell Entr (Final Mowing for 2015)	\$2,375.00
Herndon Welding (1 1/2 " Manhole Risers \$1560.00)	\$3,410.00
Illinois Power Marketing (Wholesale Electric)	\$101,213.30
MFA Oil (Fuel)	\$6,665.31
Mississippi Lime	\$3,766.50
MJMEUC (Prairie State Charges)	\$80,516.69
Record Management (Annual Charges)	\$1,387.00
Richman Graphics (Newsletter/Surveys \$756.54)	\$1,794.42
S & D (Veh # 824 Parts/Repairs \$1168.75)	\$2,072.43
SD Myers (Annual Oil Testing)	\$1,393.00
Thomasson Co (Class 4 Wood Poles)	\$10,535.00
Warren County Concrete (Street Patches)	\$3,168.77
TOTAL	\$346,495.70

ADDED AFTER GGFC MEETING

Boone County Resource Management	\$7,089.13
Charter Communications	\$1,326.58
City of Columbia (Landfill charges)	\$8,970.17
MISO (Monthly & Transmission Charges)	\$3,173.95
UMB Bank (MAMU 08 Elect Substation Lease Pmt)	\$12,420.84
TOTAL:	\$32,980.67

GRAND TOTAL

\$379,476.37

BILL NO. _____

ORDINANCE NO. _____

A BILL TO CREATE AN ORDINANCE ENTITLED:

“AN ORDINANCE APPROVING A TAX AND DISCLOSURE COMPLIANCE PROCEDURE FOR FINANCIAL OBLIGATIONS OF THE CITY OF CENTRALIA, MISSOURI.”

WHEREAS, the City of Centralia, Missouri (the “City”), from time to time issues bonds and other obligations to finance improvements for the City; and

WHEREAS, the Internal Revenue Service (“IRS”) has increased its requirements for compliance with federal tax laws and regulations for tax-advantaged governmental obligations, has expanded its enforcement of such federal tax laws and regulations and has shifted the burden of proof for compliance with such laws and regulation to the issuers of governmental obligations; and

WHEREAS, the Securities and Exchange Commission (“SEC”) has increased requirements for compliance with federal securities tax laws and regulations related to providing information to the municipal bond marketplace on an ongoing basis pursuant to SEC Rule 15c2-12; and

WHEREAS, the Board of Aldermen of the City deems it to be necessary and in the best interests of said City to adopt policies and procedures for its financial obligations to evidence compliance with IRS, as well as, SEC laws and regulations;

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

Section 1. It is hereby found, determined and declared to be necessary and in the best interests of the City of Centralia, Missouri, to authorize and approve the “Tax and Disclosure Compliance Procedure” to be dated as of the date of this Ordinance and, attached hereto as Appendix A, for financial obligations issued by the City.

Section 2. Said Tax and Disclosure Compliance Procedure shall be amended and revised from time to time as may be necessary to comply with IRS and SEC laws and regulations relating to financial obligations of the City.

Section 3. This Ordinance shall take effect and be in full force immediately after its passage by the Board of Aldermen of the City and approval by the Mayor.

[Remainder of page intentionally left blank]

PASSED this 16th day of November, 2015.

Tim Grenke, Mayor

ATTEST:

Heather Russell, City Clerk

This ordinance approved by the Mayor this 16th day of November, 2015.

Tim Grenke, Mayor

ATTEST:

Heather Russell, City Clerk

A BILL TO CREATE AN ORDINANCE ENTITLED:

“AN ORDINANCE APPROVING A LEASE PURCHASE TRANSACTION TO PAY COSTS OF REFUNDING AN OUTSTANDING SERIES OF CERTIFICATES OF PARTICIPATION OF THE CITY OF CENTRALIA, MISSOURI AND TO PAY COSTS OF RENOVATING AND IMPROVING THE CITY PUBLIC SWIMMING POOL; AND AUTHORIZING AND APPROVING EXECUTION OF RELATED DOCUMENTS AND ACTIONS.”

WHEREAS, in order to acquire, construct and install a community recreation center (together with the real property on which it sits, the “Leased Property”), the City of Centralia, Missouri (the “City”), and UMB Bank, N.A., Kansas City, Missouri (the “Refunded Certificates Trustee”), have previously entered into a Base Lease, dated August 15, 2008, pursuant to which the City, as lessor, leased to the Refunded Certificates Trustee, as lessee, all of the City interest in the Leased Property; and

WHEREAS, the Refunded Certificates Trustee and the City have previously entered into a Lease Purchase Agreement, dated August 15, 2008 (the “Refunded Lease”), pursuant to which the Refunded Certificates Trustee agreed to lease to the City the Leased Property and contemporaneously therewith delivered Certificates of Participation (Recreation Center Project), Series 2008 (the “Series 2008 Certificates”), in the original principal amount of \$1,985,000 pursuant to a Declaration of Trust dated as of August 15, 2008 (the “Declaration”), made by the Refunded Certificates Trustee, for the purpose of, among other things, providing funds to pay the costs to acquire, construct and equip the Leased Property, such Series 2008 Certificates evidenced proportionate interests in the owners thereof rights to receive basic rent payments payable by the City pursuant to the Refunded Lease; and

WHEREAS, The Industrial Development Authority of the City of Centralia, Missouri (the “Authority”), is an industrial development authority duly organized and existing under Chapter 349 of the Revised Statutes of Missouri, as amended (the “Act”), and is empowered under the Act to issue revenue bonds to finance public facilities for the purposes set forth in the Act; and

WHEREAS, the Board of Aldermen of the City finds and determines that it is necessary and desirable that the City be authorized to –

(a) enter into a Base Lease between the City, as lessor, and the Authority, as lessee (the “Base Lease”), in order to convey to the Authority a leasehold interest in the Leased Property, in consideration for the payment by the Authority to the City of \$2,390,000.00 from proceeds of the Authority’s Public Facilities Lease Revenue Bond (City of Centralia, Missouri, Projects), Series 2015 (the “Bond”), to be issued to Central Bank of Boone County (the “Lender”) pursuant to a resolution to be approved by the Authority’s governing body (the “Bond Resolution”), with the proceeds of the Bond being used to (i) pay the costs of advance refunding the Series 2008 Certificates, outstanding in the aggregate principal amount of \$1,475,000 (the “Refunded Certificates”), (ii) pay costs of renovating, extending and improving the City existing public swimming pool (the “Project”), and (iii) pay closing costs related to the lease purchase transaction and the issuance of the Bond; and

(b) enter into an annually renewable Lease Purchase Agreement between the Authority, as lessor, and the City, as lessee (the “Lease Purchase Agreement”), under which the Authority will lease the Leased Property to the City in consideration of rental payments by the City, which are to be sufficient to pay the principal and interest on the Authority’s Bond as the same become due, but subject to annual appropriation by the Board of Aldermen of the City; and

(c) enter into a Project Escrow Agreement among the Authority, the City, the Lender and Central Bank of Boone County, as escrow agent (the “Project Escrow Agreement”), pursuant to which the escrow agent thereunder will hold and disburse proceeds of the Bond to pay costs of the Project; and

(d) enter into an Escrow Trust Agreement between UMB Bank, N.A., as escrow agent, and the City (the “Refunding Escrow Agreement”), pursuant to which the escrow agent thereunder will hold certain money and securities in trust for the benefit of the owners of the Refunded Certificates, and apply the amounts held to the payment of the Refunded Certificates on March 15, 2016; and

(e) enter into a Tax Compliance Agreement between the Authority and the City, for the benefit of the Lender (the “Tax Compliance Agreement”), pursuant to which the Authority and the City make certain representations and covenants related to the exclusion of the interest on the Bond from gross income for purposes of federal income taxation; and

WHEREAS, the Board of Aldermen of the City hereby requests the Authority to –

(a) approve the Bond Resolution and issue the Bond to the Lender, as described above; and

(b) as security for the repayment of the Bond, execute and deliver a Leasehold Deed of Trust, Security Agreement and Assignment of Rents and Leases (the “Deed of Trust”), given by the Authority to a trustee in favor of Lender, on the Leased Property; and

(c) enter into the Base Lease, the Lease Purchase Agreement, the Project Escrow Agreement and the Tax Compliance Agreement, as described above; and

WHEREAS, the Board of Aldermen of the City acknowledges that rental payments to be paid by the City under the Lease Purchase Agreement will be paid to the Lender; and

WHEREAS, the Board of Aldermen of the City further finds and determines that it is necessary and desirable in connection with the conveyances of the Leased Property described above, and the Authority’s delivery of the Bond and the Deed of Trust, that the City enter into certain documents, and that the City take certain other actions and approve the execution of certain other documents as herein provided.

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

Section 1. Authorization of City Documents. The City of Centralia, Missouri is hereby authorized to enter into the following documents (the “City Documents”), in substantially the forms presented to and reviewed by the Board of Aldermen of the City (copies of which shall be filed in the records of the City), with such changes therein as shall be approved by the officers of the City executing said documents, such officers’ signatures thereon being conclusive evidence of their approval thereof:

(a) the Base Lease, from the City, as lessor, to the Authority, as lessee, as described above (Exhibit A hereto); and

(b) the Lease Purchase Agreement, between the Authority, as sublessor, and the City, as sublessee, as described above (Exhibit B hereto); and

(c) the Project Escrow Agreement among the Authority, the City, the Lender and the escrow agent named therein, as described above (Exhibit C hereto); and

(d) the Tax Compliance Agreement, among the City, the Authority and the Lender, as described above (Exhibit D hereto); and

(e) the Refunding Escrow Agreement between the City and the escrow agent named therein, as described above (Exhibit E hereto).

Section 2. Execution of City Documents. The City is hereby authorized to enter into and the Mayor of the City is hereby authorized and directed to execute and deliver, for and on behalf of and as the act and deed of the City, the City Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance. The City Clerk is hereby authorized to attest to such document 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 3. Further Authority. The officers, agents and employees of the City, including the Mayor, City Clerk and City Administrator, are authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Ordinance, and to carry out, comply with and perform the duties of the City with respect to the Lease Purchase Agreement, to make alterations, changes or additions to the Lease Purchase Agreement and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 4. Effective Date. This Ordinance shall take effect and be in full force immediately after its passage by the Board of Aldermen of the City and approval by the Mayor.

PASSED this 16th day of November, 2015

Heather Russell, City Clerk

Tim Grenke, Mayor

ATTEST:

This ordinance approved by the Mayor this 16th day of November, 2015.

Tim Grenke, Mayor

ATTEST:

Heather Russell, City Clerk

(The above space is reserved for Recorder's Certification)

TITLE OF DOCUMENT: BASE LEASE

DATE OF DOCUMENT: November 24, 2015

GRANTOR: CITY OF CENTRALIA, MISSOURI

GRANTOR'S MAILING ADDRESS: 114 South Rollins Street
Centralia, MO 65240
Attention: Mayor

GRANTEE: THE INDUSTRIAL DEVELOPMENT
AUTHORITY OF THE CITY OF CENTRALIA,
MISSOURI

GRANTEE'S MAILING ADDRESS: 114 South Rollins Street
Centralia, MO 65240
Attention: President of the Board of Directors

RETURN DOCUMENTS TO: Central Bank of Boone County
Box 678
Columbia, MO 65205
Attention: Mike Watson

LEGAL DESCRIPTION: See Schedule 1

BASE LEASE

THIS BASE LEASE (the “Base Lease”) dated as of November 24, 2015, by and between the **CITY OF CENTRALIA, MISSOURI**, a political subdivision organized and existing under the laws of the State of Missouri, as Base Lessor (the “City”), and **THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF CENTRALIA, MISSOURI**, a nonprofit corporation organized under the laws of the State of Missouri, as Base Lessee (the “Authority”).

RECITALS:

1. In order to acquire, construct and install a community recreation center on the real estate described in **Schedule 1** attached hereto (the “Leased Property”), the City and UMB Bank, N.A., Kansas City, Missouri (the “Refunded Certificates Trustee”), have previously entered into a Base Lease, dated August 15, 2008, pursuant to which the City, as lessor, leased to the Refunded Certificates Trustee, as lessee, all of the City’s interest in the Leased Property.

2. The Refunded Certificates Trustee and the City have previously entered into a Lease Purchase Agreement, dated August 15, 2008 (the “Refunded Lease”), pursuant to which the Refunded Certificates Trustee agreed to lease to the City the Leased Property and contemporaneously therewith delivered Certificates of Participation (Recreation Center Project), Series 2008 (the “Series 2008 Certificates”), in the original principal amount of \$1,985,000 pursuant to a Declaration of Trust dated as of August 15, 2008 (the “Declaration”), made by the Refunded Certificates Trustee, for the purpose of, among other things, providing funds to pay the costs to acquire, construct and equip the Leased Property, such Series 2008 Certificates evidenced proportionate interests of the owners thereof in the right to receive basic rent payments payable by the City pursuant to the Refunded Lease.

3. The Board of Aldermen of the City has adopted an ordinance (the “Ordinance”) authorizing the City to enter into this Base Lease in order to convey to the Authority a leasehold interest in the Leased Property in consideration of the payment by the Authority to the City of \$2,390,000 (the “Base Lease Rental Amount”), to be obtained through a loan from Central Bank of Boone County, a Missouri state-chartered bank (together with its successors and assigns, the “Lender”), evidenced by a certain “Public Facilities Lease Revenue Bond (City of Central, Missouri, Projects), Series 2015” (the “Bond”), to be issued by the Authority to the Lender.

4. The proceeds of the Bond will be used to (a) prepay the City’s outstanding Series 2008 Certificates (the “Refunded Certificates”), (b) pay the costs of renovating, extending and improving the City’s community swimming pool (the “Project”) and (c) pay closing costs related to the execution and delivery of this Base Lease and the Lease (defined herein), and the issuance of the Bond. The Ordinance further authorizes the City to enter into a Lease Purchase Agreement of even date herewith (the “Lease”), pursuant to which the City will agree, subject to annual appropriation, to pay Rental Payments (defined herein) to the Authority, in consideration for the Authority’s sublease of the Leased Property back to the City.

5. Pursuant to a resolution adopted by the Board of Directors of the Authority (the “Bond Resolution”), the Authority has been authorized to (a) lease the Leased Property from the City pursuant to this Base Lease, for the consideration stated above, (b) enter into the Lease in order to sublease the Leased Property back to the City, in consideration of the City’s agreement to pay Rental Payments, subject to annual appropriation, (c) issue the Bond, the repayment of which is limited solely to Rental Payments made by the City hereunder, and (d) secure the repayment of the Bond by a Leasehold Deed of Trust, Security Agreement and Assignment of Rents and Leases of even date herewith (the “Deed of

Trust”), given by the Authority to a trustee in favor of Lender, on the Leased Property, pursuant to which, among other things, the Authority will assign to the Lender all its rights, title and interests under the Lease.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, the City and the Authority do hereby covenant and agree as follows:

ARTICLE I

DEFINITIONS, RULES OF CONSTRUCTION

Section 1.1. Definitions of Words and Terms. In addition to words and terms defined herein or the Lease capitalized words and terms as used in this Base Lease shall have the meanings given to such words and terms in the Lease (which definitions are hereby incorporated by reference).

Section 1.2. Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words importing the singular number shall include the plural and vice versa, and words importing person shall include firms, associations and corporations, including public bodies, as well as natural persons. Accounting terms used herein and not otherwise specifically defined shall have the meaning ascribed such terms by generally accepted accounting principles as from time to time in effect. The table of contents hereto and the headings and captions herein are not a part of this document. Whenever an item or items are listed after the word “including,” such listing is not intended to be a listing that excludes items not listed.

ARTICLE II

REPRESENTATIONS

Section 2.1. Representations of the City. The City represents, warrants and covenants to the Authority as follows:

(a) The City is a fourth class city and political subdivision duly organized and existing under laws of the State of Missouri, as amended.

(b) The City has full power and authority to enter into this Base Lease and the transactions contemplated by this Base Lease and to carry out its obligations hereunder, and by proper action has duly authorized the execution and delivery of this Base Lease by its duly authorized officers.

(c) The execution and delivery of this Base Lease and the Lease, the consummation of the transactions contemplated hereby and thereby, and the performance of or compliance with the terms and conditions of this Base Lease and the Lease by the City will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any mortgage, deed of trust, lease or any other restriction or any agreement or instrument to which the City is a party or by which it or any of its property is bound, or any order, rule or regulation applicable to the City or any of its property of any court or governmental body, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon

any of the property or assets of the City under the terms of any instrument or agreement to which the City is a party.

(d) The City has good and marketable fee simple title to the Leased Property as of the date hereof, free and clear of any liens or encumbrances, except Permitted Encumbrances, and such real estate will thereby be exempt from property and any other taxes levied by the State of Missouri or any political subdivision thereof or by the City.

(e) The lease of the Leased Property by the City to the Authority, as provided in this Base Lease, is necessary, desirable and in the public interest.

(f) The Leased Property complies in all material respects with all presently applicable building and zoning, health, environmental and safety ordinances and laws and all other applicable laws, rules and regulations.

Section 2.2. Representations of the Authority. The Authority represents, warrants and covenants to the City as follows:

(a) The Authority is an industrial development authority duly organized and existing under the laws of the State of Missouri.

(b) The Authority has corporate power to enter into this Base Lease, and by proper corporate action has duly authorized the execution and delivery of this Base Lease by its duly authorized officers.

(c) The execution and delivery of this Base Lease, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Base Lease, the Lease, the Bond, the Deed of Trust, the Bond Resolution and other documents relating to the execution and delivery of the Bond will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any restriction or any agreement or instrument to which the Authority is a party or by which it or any of its property is bound, or the Authority's articles of incorporation or bylaws, or any order, rule or regulation applicable to the Authority or any of its property of any court or governmental body, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Authority under the terms of any instrument or agreement to which the Authority is a party or by which it or any of its property is bound.

ARTICLE III

LEASE OF THE LEASED PROPERTY

Section 3.1. Lease of Leased Property. The City hereby demises and leases the Leased Property to the Authority, and the Authority hereby leases the Leased Property from the City, subject to Permitted Encumbrances, on the terms and conditions herein set forth.

Section 3.2. Base Lease Term. The term of this Base Lease shall commence as of the date of the delivery hereof and shall end on the fortieth (40th) anniversary hereof, unless such term is sooner terminated as hereinafter provided.

Section 3.3. Quiet Enjoyment.

(a) Subject to the Lease, the Authority at all times during the term of this Base Lease shall peaceably and quietly have and enjoy the Leased Property, subject to Permitted Encumbrances. The Authority shall use the Leased Property solely for the purpose of subleasing the Leased Property to the City pursuant to the Lease; provided, that in the event of default by the City under the Lease, the Authority may exercise the remedies provided in the Lease and this Base Lease.

(b) In the event that title to, or the temporary use of, all or a portion of the Leased Property is challenged or threatened by means of competent legal or equitable action, the City covenants that it shall cooperate with the Authority and the Lender and shall take all reasonable actions, including where appropriate the lawful exercise of the City's power of eminent domain, in order to quiet title to the Leased Property in the City.

Section 3.4. No Merger. Subject to **Section 5.1** hereof, no union of the interests of the City and the Authority herein shall result in a merger of this Base Lease and the Lease or of this Base Lease and the fee title to the Leased Property.

Section 3.5. Assignments, Subleases and Mortgage.

(a) Simultaneously with the delivery of this Base Lease, the Authority is subleasing the Leased Property to the City pursuant to the Lease, but subject to the Deed of Trust and the reservation of certain rights under this Base Lease.

(b) The Authority may not mortgage or otherwise assign its rights under this Base Lease or sublet the Leased Property without the written consent of the City except (a) the sublease and lease of the Leased Property pursuant to the Lease, (b) the assignment pursuant to the Deed of Trust of its rights under the Base Lease and the Lease, (c) if the Lease is terminated for any reason and this Base Lease is not otherwise terminated as provided herein, or (d) if an Event of Default or an Event of Nonappropriation under the Lease has occurred.

(c) Except with respect to Permitted Encumbrances and as otherwise provided herein, in the Lease or in the Deed of Trust, neither the Authority nor the City shall, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Leased Property. Whenever and as often as any mechanics' or other lien is filed against the Leased Property, or any part thereof, the City shall discharge the same of record within 60 days after the date of filing. Notice is hereby given that the Authority shall not be liable for any labor or materials furnished to the City or to anyone claiming by, through or under the City upon credit, and that no mechanics' or other lien shall attach to or affect the reversionary or other estate of the Authority in and to the Leased Property or any part thereof.

Section 3.6. Eminent Domain. In the event the whole or any part of the Leased Property is taken by eminent domain proceedings, the interest of the Authority shall be recognized. The proceeds of said condemnation shall be applied as provided in **Article VIII** of the Lease. The Authority and the City have reached an agreement on the terms of the acquisition of the Leased Property at the City's option, and to the use of the Leased Property, all as set forth in the Lease. Any acquisition of the Leased Property or rights to their use by the City (whether pursuant to the exercise of eminent domain powers or otherwise) shall be pursuant to and in accordance with the Lease, including payment of Rental Payments and the applicable Option Purchase Price as set forth in the Lease. If the City allows the Lease to expire without exercising its option to purchase (whether by failure to exercise its option to extend the Lease for a Renewal Term, failure to exercise its option to purchase at the conclusion of the Lease Term or failure to

cure an Event of Default under the Lease), that action shall constitute an irrevocable determination by the City that the Leased Property is not required by it for any public purpose for the term of this Base Lease.

ARTICLE IV

RENTAL PROVISIONS

Section 4.1. Rent and Other Considerations. As and for rental hereunder and in consideration for the leasing of the Leased Property to the Authority hereunder, the Authority shall:

- (a) Execute and deliver the Bond to the Lender in the principal amount of \$2,390,000; and
- (b) Cause the proceeds of the Bond to be used to (i) prepay the Refunded Certificates by paying and transferring a portion of the proceeds to UMB Bank, N.A., as escrow agent, for deposit in the Refunding Escrow Fund to be applied in accordance with the Refunding Escrow Agreement, (ii) pay costs of the Project pursuant to the Lease, and (iii) pay closing costs related to this Base Lease, the Lease and the Bond.

ARTICLE V

TERMINATION

Section 5.1. Termination. This Base Lease shall terminate upon the completion of the Base Lease term specified in **Section 3.2** hereof; provided, however, in the event (a) the City pays all Rental Payments and Additional Payments required by the Lease during the Lease Term, or exercises the option to purchase the remaining Base Lease term of the Authority hereunder and pays the then applicable Option Purchase Price as provided in the Lease, and (b) the Bond has been fully paid in accordance with its terms, then this Base Lease shall be considered assigned to the City and terminated through merger of the leasehold interest with the fee interest if the City is the owner of the fee interest and elects to terminate the leasehold interest so acquired from the Authority. The Authority agrees, upon such assignment and termination of the Base Lease term, to quit and surrender the Leased Property as they then exist to the City free and clear of encumbrances, except Permitted Encumbrances.

Section 5.2. Default by the City. If an Event of Default or an Event of Nonappropriation under the Lease occurs for any reason, or if the City terminates the Lease and fails to purchase the Authority's interest in the Leased Property as provided in the Lease, the Authority, or its assignee, shall have the right to possession of the Leased Property for the remainder of the Base Lease term and shall have the right to sublease the same or sell its interest in this Base Lease upon whatever terms and conditions it deems prudent. In such event, the Authority shall obtain the same insurance coverage with respect to the Leased Property as the City is required to obtain under the Lease for the remainder of the Base Lease term and will furnish the City with evidence thereof. In the event that the Authority shall receive a payment for the sale of its interest or total rental payments for subleasing that are, after the payment of the Authority's expenses in connection therewith including fees and expenses of the Lender, in excess of the purchase price applicable at the time of termination or default plus interest thereon at the applicable interest rate per annum borne by the Bond, with amounts so received to be credited, *first*, to interest on the Bond; *second*, to principal on the Bond; and, *finally*, any excess shall be paid to the City.

Section 5.3. Default by the Authority. The City shall not have the right to exclude the Authority from the Leased Property or to take possession thereof (except pursuant to the Lease) or to terminate this Base Lease prior to the termination of the Base Lease term upon any default by the Authority hereunder; except that if, upon exercise of the option to purchase the Authority's interest in the Leased Property under the Lease granted to the City in the Lease and after the payment of the purchase price specified therein and the other sums payable under the Lease, the Authority fails to convey its interest therein to the City pursuant to said option, then the City shall have the right to terminate this Base Lease, such termination to be effective 30 days after delivery of written notice of such termination to the Authority and the Lender. However, in the event of any default by the Authority hereunder, the City may maintain an action for damages or, if permitted in equity, for specific performance.

ARTICLE VI

MISCELLANEOUS PROVISIONS

Section 6.1. Amendments, Changes and Modifications. This Base Lease may not be effectively amended, changed, modified, altered or terminated, except as provided in the Deed of Trust.

Section 6.2. Notices. Any notice, request, complaint, demand or other communication required by this Base Lease to be given to or filed with the City, the Authority or the Lender shall be in writing and shall be given or filed in the manner and at the addresses specified in the Lease.

Section 6.3. Waiver of Personal Liability. All liabilities under this Base Lease on the part of the Authority are corporate liabilities of the Authority, and, to the extent permitted by law, the City hereby releases each and every incorporator, member, director and officer of the Authority of and from any personal or individual liability under this Base Lease. No incorporator, member, director or officer of the Authority shall at any time or under any circumstances be individually or personally liable under this Base Lease for anything done or omitted to be done by the Authority hereunder.

Section 6.4. Binding Effect. This Base Lease shall inure to the benefit of and shall be binding upon the City, the Authority and their respective successors and assigns.

Section 6.5. Severability. In the event any provision of this Base Lease shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

Section 6.6. Execution in Counterparts. This Base Lease may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute but one and the same instrument.

Section 6.7. Applicable Law. This Base Lease shall be governed by and construed in accordance with the laws of the State of Missouri.

Section 6.8. Electronic Storage of Documents. The Authority and the City agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions or original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

IN WITNESS WHEREOF, the City has caused this Base Lease to be executed in its name with its seal hereto affixed and attested by its duly authorized officers, and the Authority has caused this Base Lease to be executed in its name with its seal hereto affixed and attested by its duly authorized officers, all as of the date first above written.

**CITY OF CENTRALIA, MISSOURI
as Lessor and Grantor**

By: _____
Name: Tim Grenke
Title: Mayor

(SEAL)

ATTEST:

Name: Heather Russell
Title: City Clerk

**THE INDUSTRIAL DEVELOPMENT
AUTHORITY OF THE CITY OF CENTRALIA,
MISSOURI,
as Lessee and Grantee**

By: _____
Name: David Hoppock
Title: President of the Board of Directors

(SEAL)

ATTEST:

By: _____
Name: Gabe Martinez
Title: Secretary of the Board of Director

ACKNOWLEDGMENT

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

On this _____ day of November, 2015, before me, the undersigned, a Notary Public in and for said State, personally appeared **TIM GRENKE**, to me personally known, who, being before me duly sworn, did say that he is the Mayor of the **CITY OF CENTRALIA, MISSOURI**, and that the seal affixed to the foregoing instrument is the seal of said City, and that said instrument was signed and sealed on behalf of said City by authority of its Board of Aldermen, and said official acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said City.

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

Notary Public in and for said State
Commission Expires:

PLEASE AFFIX SEAL FIRMLY AND CLEARLY IN THIS BOX

ACKNOWLEDGMENT

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

On this _____ day of November, 2015, before me, the undersigned, a Notary Public in and for said State, personally appeared **DAVID HOPPOCK**, to me personally known, who, being before me duly sworn, did say that he is the President of the Board of Directors of **THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF CENTRALIA, MISSOURI**, a Missouri statutory industrial development authority, and that the seal affixed to the foregoing instrument is the seal of said entity and that said instrument was signed on behalf of said entity by authority of its Board of Directors, and said official acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said entity.

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

Notary Public in and for said State
Commission Expires:

*PLEASE AFFIX SEAL FIRMLY AND
CLEARLY IN THIS BOX*

**EXHIBIT A
TO BASE LEASE**

THE LEASED PROPERTY

The Leased Property consists of the following-described real property situated in the County of Boone, State of Missouri, together with the existing improvements thereon, and all additions, modifications, improvements, replacements and substitutions made thereto pursuant to the Lease, as they may at any time exist:

A portion of a tract of land described by a warranty deed recorded in Book 413 at Page 152 being the same tract as shown by a survey recorded in Book 442 at Page 645, located in Block I of John C. Hitt's Subdivision in the northeast quarter of the southeast quarter of section 16, township 51 north, range 11 west, Centralia, Boone County, Missouri, described as follows:

Starting at the northwest corner of Block I of John C. Hitt's Subdivision; Thence with the north line of Block I of John C. Hitt's Subdivision, S88°-44'-15"E, 520.4 feet to the projection of the east line of the survey recorded in Book 442 at Page 645 being the same line as described by the warranty deed recorded in Book 413 at Page 152; Thence with the east line of said survey, S1°-31'W, 60.0 feet to the south right-of-way line of Lakeview Street, said point being the Point of Beginning; Thence continuing with the east line of said survey, S1°-31'W, 240.0 feet; Thence parallel with the south right-of-way line of Lakeview Street, N88°-44'-15"W, 210.0 feet; Thence parallel with the east line of the survey recorded in Book 442 at Page 645, N1°-31'E, 150.0 feet; Thence parallel with the south right-of-way line of Lakeview Street, N88°-44'-15"W, 120.0 feet; Thence parallel with the east line of the survey recorded in Book 442 at Page 645, N1°-31'E, 90.0 feet to the south right-of-way line of Lakeview Street; Thence with the south right-of-way line, S88°-44'-15"E, 330.0 feet to the Point of Beginning and containing 1.40 acres.

* * *

LEASE PURCHASE AGREEMENT

Dated as of November 24, 2015

between

**THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE
CITY OF CENTRALIA, MISSOURI,
as Lessor and Grantor**

and the

**CITY OF CENTRALIA, MISSOURI,
as Lessee and Grantee**

The interest of The Industrial Development Authority of the City of Centralia, Missouri (the “Authority”), in this Lease Purchase Agreement has been pledged and assigned to Central Bank of Boone County (the “Lender”), as Assignee under the Leasehold Deed of Trust, Security Agreement and Assignment of Rents and Leases of even date herewith, between the Authority and the Lender.

LEASE PURCHASE AGREEMENT

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LEASE PURCHASE AGREEMENT

THIS LEASE PURCHASE AGREEMENT, dated as of November 24, 2015 (the “Lease”), is entered into between **THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF CENTRALIA, MISSOURI**, a body politic and corporate and a public instrumentality organized and existing under the laws of the State of Missouri (together with its successors and assigns, the “Authority”), as lessor and grantor, and the **CITY OF CENTRALIA, MISSOURI**, a political subdivision and body corporate duly organized and existing under the laws of the State of Missouri (the “City”), as lessee and grantee;

RECITALS

1. In order to acquire, construct and install a community recreation center on the real estate described in **Exhibit A** attached hereto (the “Leased Property”), the City and UMB Bank, N.A., Kansas City, Missouri (the “Refunded Certificates Trustee”), have previously entered into a Base Lease, dated August 15, 2008, pursuant to which the City, as lessor, leased to the Refunded Certificates Trustee, as lessee, all of the City’s interest in the Leased Property.

2. The Refunded Certificates Trustee and the City have previously entered into a Lease Purchase Agreement, dated August 15, 2008 (the “Refunded Lease”), pursuant to which the Refunded Certificates Trustee agreed to lease to the City the Leased Property and contemporaneously therewith delivered Certificates of Participation (Recreation Center Project), Series 2008 (the “Series 2008 Certificates”), in the original principal amount of \$1,985,000 pursuant to a Declaration of Trust dated as of August 15, 2008 (the “Declaration”), made by the Refunded Certificates Trustee, for the purpose of, among other things, providing funds to pay the costs to acquire, construct and equip the Leased Property, such Series 2008 Certificates evidenced proportionate interests of the owners thereof in the right to receive basic rent payments payable by the City pursuant to the Refunded Lease.

3. The Board of Aldermen of the City has adopted an ordinance (the “Ordinance”) authorizing the City to enter into a Base Lease of even date herewith (the “Base Lease”), in order to convey to the Authority a leasehold interest in the Leased Property in consideration of the payment by the Authority to the City of \$2,390,000 (the “Base Lease Rental Amount”), to be obtained through a loan from Central Bank of Boone County, a Missouri state-chartered bank (together with its successors and assigns, the “Lender”), evidenced by a certain “Public Facilities Lease Revenue Bond (City of Central, Missouri, Projects), Series 2015” (the “Bond”), to be issued by the Authority to the Lender.

4. The proceeds of the Bond will be used to (a) prepay the City’s outstanding Series 2008 Certificates (the “Refunded Certificates”), (b) pay the costs of renovating, extending and improving the City’s community swimming pool (the “Project”) and (c) pay closing costs related to the execution and delivery of the Base Lease and this Lease, and the issuance of the Bond. The Ordinance further authorizes the City to enter into this Lease, pursuant to which the City agrees, subject to annual appropriation, to pay Rental Payments (defined herein) to the Authority, in consideration for the Authority’s sublease of the Leased Property back to the City.

5. Pursuant to a resolution adopted by the Board of Directors of the Authority, the Authority has been authorized to (a) lease the Leased Property from the City pursuant to the Base Lease, for the consideration stated above, (b) enter into this Lease in order to sublease the Leased Property back to the City, in consideration of the City’s agreement to pay Rental Payments, subject to annual appropriation, (c) issue the Bond, the repayment of which is limited solely to Rental Payments made by the City hereunder,

and (d) secure the repayment of the Bond by a Leasehold Deed of Trust, Security Agreement and Assignment of Rents and Leases of even date herewith (the “Deed of Trust”), given by the Authority to a trustee in favor of Lender, on the Leased Property, pursuant to which, among other things, the Authority will assign to the Lender all its rights, title and interests under this Lease.

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and agreements herein contained, the Authority and the City 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 as used in this Lease shall have the following meanings:

“Additional Payments” means the payments payable by the City pursuant to **Section 5.3** of this Lease.

“Authority” means The Industrial Development Authority of the City of Centralia, Missouri, a Missouri, and its successors and assigns when acting or serving in its capacity as lessor under this Lease.

“Authority Representative” means the President, Secretary or Treasurer of the Board of Directors of the Authority, or such other person at the time designated to act on behalf of the Authority as evidenced by a written certificate furnished to the City containing the specimen signature of such person and signed on behalf of the Authority by the President or Secretary of the Board of Directors. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authority Representative.

“Base Lease Rental Amount” means \$2,390,000, to be paid, or cause to be paid, by the Authority to the City, as consideration for the City’s conveyance to the Authority of a leasehold interest in the Leased Property pursuant to the Base Lease.

“Bond” means the Authority’s Public Facilities Lease Revenue Bond (City of Centralia, Missouri, Projects), Series 2015, issued in the principal amount of \$2,390,000, authorized and issued by the Authority pursuant to the Bond Resolution.

“Bond Resolution” means the resolution adopted by the Board of Directors of the Authority on November 16, 2015, authorizing the issuance of the Bonds and approving the Base Lease, the Lease and the Tax Compliance Agreement.

“City” means the City of Centralia, Missouri, a fourth class city and political subdivision duly organized and validly existing under the laws of the State of Missouri.

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

“**Code**” means the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated or proposed thereunder.

“**Closing Date**” is the date when the term of this Lease begins and the City’s obligation to pay rent accrues, which date shall be the date on which this Lease is delivered by the Authority and the City (November 24, 2015).

“**Deed of Trust**” means the Leasehold Deed of Trust, Security Agreement and Assignment of Rents and Leases of even date herewith, from the Authority, as grantor, to the trustee named therein, for the benefit of the Lender, as the same may from time to time be amended or supplemented in accordance with the provisions thereof, securing the Bond.

“**Event of Default**” means an Event of Default as described in **Section 12.1** of this Lease.

“**Event of Nonappropriation**” means a nonrenewal of this Lease by the City determined by the failure of the City to appropriate and budget, or the election of the City not to so appropriate and budget, on or before March 31 during the Original Term or any Renewal Term, moneys sufficient to pay the Rental Payments and reasonably expected Additional Payments due and payable during the next Renewal Term.

“**Fiscal Year**” means the twelve-month period used from time to time by the City for its financial accounting purposes, such period currently extending from April 1 to the next succeeding March 31.

“**Full Insurable Value**” means the actual replacement cost of the property insured exclusive of land, excavations, footings, foundations and parking lots, but in no event shall such value be less than the then outstanding aggregate principal amount of the Bond.

“**Lease**” means this Lease Purchase Agreement between the Authority and the City, as from time to time amended and supplemented in accordance with the provisions hereof.

“**Lease Term**” means the Original Term and all Renewal Terms.

“**Leased Property**” means the real estate described in **Exhibit A** hereto and the existing improvements thereon, and all additions, modifications, improvements, replacements and substitutions made thereto pursuant to this Lease, as they may at any time exist.

“**Lender**” means (a) Central Bank of Boone County, a Missouri state-chartered bank, (b) any surviving or resulting corporation of Central Bank of Boone County, and (c) except where the context requires otherwise, any permitted transferee as the Registered Owner the Bond, as shown on the Bond Register.

“**Net Proceeds**” means the net proceeds derived from policies of insurance required by this Lease (including, but not limited to, any moneys derived from any self-insurance program), or any condemnation award with respect to the Leased Property, or from any reletting or sale of the Leased Property, remaining after payment of all expenses (including attorneys’ fees and any extraordinary expenses of the Authority) incurred in the collection of such proceeds or award from the gross proceeds thereof.

“**Officer’s Certificate**” when used with respect to the City shall mean a certificate signed by the City Representative or, when used with respect to the Authority, the Authority Representative.

“Opinion of Counsel” shall mean an opinion in writing signed by legal counsel acceptable to the Authority and, to the extent the City is asked to take action in reliance thereon, the City, who may be an employee of or counsel to the Authority.

“Opinion of Special Tax Counsel” shall mean an opinion in writing signed by legal counsel selected by the City and satisfactory to the Authority and the Lender, who shall be nationally recognized as expert in matters pertaining to the validity of obligations of governmental issuers and the exemption from federal income taxation of interest on such obligations.

“Option Purchase Price” means the price that the City shall pay to the Authority in the event that the City elects to purchase the Authority’s interest in the Leased Property in accordance with **Article XI** of this Lease, which price equals 100% of the outstanding principal of the Bond.

“Optional Payment Date” means any date upon which the City, pursuant to **Section 11.1** hereof, may elect to purchase the Authority’s interest in the Leased Property for the then applicable Option Purchase Price.

“Original Term” means the period from the date hereof until the end of the current Fiscal Year of the City.

“Permitted Encumbrances” means, with respect to the Leased Property as of any particular time:

- (a) liens for taxes and assessments not then delinquent;
- (b) this Lease and the Deed of Trust;
- (c) any financing statements filed to perfect security interests pursuant to this Lease and the Deed of Trust;
- (d) utility, access and other easements and rights-of-way, restrictions, exceptions and encumbrances that will not materially interfere with or impair the operations being conducted at the Leased Property or easements granted to the Authority;
- (e) any mechanic’s, laborer’s, materialman’s, supplier’s or vendor’s lien or rights in respect thereof if payment is not yet due under the contract in question or if such lien is being contested in accordance with **Section 7.4** of this Lease;
- (f) zoning laws and similar restrictions which are not violated by the current use of the Leased Property; and
- (g) such minor defects, irregularities, encumbrances, easements, mechanic’s liens, rights-of-way and clouds on title as normally exist with respect to properties similar in character to the Leased Property 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 Authority or the City.

“Person” means one or more individuals, estates, joint ventures, joint-stock companies, partnerships, corporations, limited liability companies, trusts or unincorporated organizations and one or more governments or agencies or political subdivisions thereof.

“Project” means the renovation, extension and improvement to the City’s community swimming pool, the Project Costs of which are financed pursuant to this Lease.

“Project Costs” means all or any part of the cost of the Project, including but not limited to, engineering, financial and legal services (including costs related to the closing of the Bond, the Base Lease and this Lease); plans, specifications, surveys, and such other expenses as the City determines may be necessary or incidental to the construction, installation and acquisition of the Project.

“Project Escrow Agreement” means the Escrow Agreement dated as of the Closing Date, among the City, the Authority, the Lender and Central Bank of Boone County, Columbia, Missouri, as escrow agent.

“Project Fund” means the fund by that name referred to in the Project Escrow Agreement.

“Refunding Escrow Agreement” means the Escrow Trust Agreement dated as of the Closing Date, between the City and UMB Bank, N.A., Kansas City, Missouri, as escrow agent.

“Refunding Escrow Fund” means the fund by that name referred to in the Refunding Escrow Agreement.

“Refunded Certificates” means all the outstanding Series 2008 Certificates.

“Refunded Certificates Trustee” means UMB Bank, N.A., Kansas City, Missouri, under the Declaration of Trust, dated August 15, 2008.

“Renewal Term” means any optional renewal term of this Lease entered into after the expiration of the Original Term or any Renewal Term in effect, each having a duration of one year and a term co-extensive with the City’s Fiscal Year, as provided for in **Section 3.2** hereof.

“Rental Payment Date” means each date on which a Rental Payment is due and payable pursuant to this Lease.

“Rental Payments” means the rental payments payable by the City pursuant to **Section 5.2** hereof during the Lease Term in consideration of the City’s right to use the Leased Property during the then current portion of the Lease Term.

“Series 2008 Certificates” means the \$1,985,000 original principal amount of Certificates of Participation (Recreation Center Project), Series 2008, which certificates were delivered by the Refunded Certificates Trustee, and evidence proportionate interests in the owners thereof right to receive rental payments payable by the City pursuant to a Lease Purchase Agreement dated as of August 15, 2008, between the Refunded Certificates Trustee, as lessor, and the City, as lessee. The outstanding Series 2008 Certificates are being prepaid with a portion of the proceeds of the Bond.

“Special Tax Counsel” means Gilmore & Bell, P.C., or an attorney or firm of attorneys with a nationally recognized standing in the field of municipal finance approved by the Lender, with the consent of the City and the Authority.

“Tax Agreement” means, with respect to the Bond, the Tax Compliance Agreement entered into between the City and the Authority, dated as of the date of delivery of the Bond, as such agreement may from time to time be amended in accordance with the provisions thereof.

Section 1.2. Rules of Construction.

- (a) Words of the masculine gender will 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 include the plural and vice versa, and words importing persons include firms, associations and corporations, including public bodies, 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 will 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 Lease to designated “Articles”, “Sections” and other subdivisions are, unless otherwise specified, to the designated Articles, Sections and subdivisions of this Lease 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 will 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.

ARTICLE II

REPRESENTATIONS

Section 2.1. Representations by the Authority. The Authority makes the following representations as the basis for the undertakings on its part herein contained:

- (a) The Authority is an industrial development authority duly organized and existing and in good standing under the laws of the State of Missouri.
- (b) The Authority 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 its Board of Directors, the Authority has been duly authorized to execute and deliver this Lease, acting by and through its duly authorized officers.
- (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 will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any restriction or any agreement or instrument to which the Authority is a party or by which it or any of its property is bound, or the Authority’s articles of incorporation or bylaws or any order, rule or regulation applicable to the Authority or any of its property of any court or governmental body, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Authority under the terms of any instrument or agreement to which the Authority is a party.

(d) The Authority acknowledges and recognizes that this Lease will be terminated at the end of the Lease Term if sufficient funds are not budgeted and appropriated by the City, specifically with respect to this Lease, to continue paying all Rental Payments and Additional Rental Payments during the next occurring Renewal Term, and that the acts of budgeting and appropriating funds are legislative acts and, as such, are solely within the discretion of the Board of Aldermen of the City.

(e) There is no litigation or proceeding pending or, to the knowledge of the Authority, threatened against the Authority or any other person affecting the right of the Authority to execute or deliver this Lease or to comply with its obligations under this Lease. Neither the execution and delivery of this Lease by the Authority, nor compliance by the Authority with its obligations under this Lease require the approval of any regulatory body, any parent company, or any other entity, which approval has not been obtained.

Section 2.2. 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 fourth class city and political subdivision duly organized and existing under the laws of the State of Missouri.

(b) The City has lawful power and authority to enter into this Lease and to carry out its obligations hereunder and has been duly authorized to execute and deliver this Lease, acting by and through its duly authorized officials.

(c) The execution and delivery of this Lease, the consummation of the transactions contemplated hereby, and the performance of or compliance with the terms and conditions of this Lease by the City will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any mortgage, deed of trust, loan agreement or any other restriction or any agreement or instrument to which the City is a party or by which it or any of its property is bound, or any order, rule or regulation applicable to the City or any of its property of any court or governmental body, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the City under the terms of any instrument or agreement to which the City is a party.

(d) The acquisition of the Leased Property by the Authority, and the lease of the Leased Property to the City, as provided in this Lease, will contribute to the general welfare and benefit of the City and its residents, and will serve the public and governmental purposes of the City and is therefore necessary, desirable and in the public interest.

(e) The use of the Leased Property will comply with all presently applicable building, zoning, health, environmental and safety ordinances and laws and all other applicable laws, rules and regulations.

(f) There is no litigation or proceeding pending or, to the City's knowledge, threatened against the City or any other person affecting the right of the City to execute this Lease or the ability of the City to make the payments required hereunder or to otherwise comply with the obligations contained herein, or to consummate the transactions contemplated.

(g) No member of the governing body of the City or any other officer of the City has any significant or conflicting interest, financial, employment or otherwise, in the City or the Leased Property or in the transactions contemplated hereby.

(h) The City has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current fiscal year to make the Rental Payments scheduled to come due during the Original Term and to meet its other obligations for the Original Term, and such funds have not been expended for other purposes.

(i) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting the City, nor to the best knowledge of the City is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Lease or any other document, agreement or certificate which is used or contemplated for use in the consummation of the transactions contemplated by this Lease.

ARTICLE III

GRANTING PROVISIONS

Section 3.1. Initial Conveyance of Leasehold Interest in Leased Property to Authority. Simultaneously with the execution and delivery of this Lease, the City shall convey a leasehold interest in the Leased Property to the Authority pursuant to the Base Lease, in consideration of the payment of the Base Lease Rental Amount, to be deposited pursuant to **Section 5.1(b)** of this Lease.

Section 3.2. Sublease of Leased Property. The Authority hereby rents, subleases and sublets the Leased Property to the City, and the City hereby rents, subleases and hires the Leased Property from the Authority, subject to Permitted Encumbrances, for the rentals and upon and subject to the terms and conditions contained in this Lease.

Section 3.3. Lease Term.

(a) The Original Term of this Lease shall commence on the date hereof, and subject to earlier termination pursuant to the provisions hereof, shall terminate on the last day of City's current Fiscal Year (*i.e.*, March 31, 2016).

(b) The Lease Term may be extended, solely at the option of the City, at the end of the Original Term or any Renewal Term for an additional one-year Renewal Term for up to a maximum Lease Term of nineteen (19) Renewal Terms, except that the final Renewal Term shall expire not later than March 16, 2035.

(c) The City shall deliver written notice to the Authority and the Lender, as assignee of the Authority's interest herein, no later than each March 31 stating whether or not the City will extend the term of this Lease for the succeeding Renewal Term and describing in reasonable detail the actions taken by the governing body of the City to appropriate funds sufficient for the purpose of paying the Rental Payments and reasonably estimated Additional Payments to become due during such succeeding Renewal Term. If the governing body of the City has made the appropriation necessary to pay the Rental Payments and reasonably estimated Additional Payments to become due during such succeeding Renewal Term, the City's failure to deliver the foregoing notice on or before the appropriate March 31 shall not constitute an Event of Nonappropriation and this Lease shall be automatically renewed. The City's option

to renew or not to renew this Lease shall be conclusively determined by whether or not the governing body of the City has, on or before the March 31 immediately preceding the end of the Original Term or any Renewal Term then in effect, budgeted and appropriated, specifically with respect to this Lease, moneys sufficient to pay all the Rental Payments and reasonably estimated Additional Payments for the ensuing Renewal Term. The officer of the City at any time charged with the responsibility of formulating budget proposals is hereby directed to include in the budget proposals submitted to the governing body of the City, in any year in which this Lease is in effect, items for all payments required for the ensuing Renewal Term under this Lease and to take such further action (or cause the same to be taken) as may be necessary or desirable to assure the availability of moneys appropriated from legally available funds to pay Rental Payments and Additional Payments due for each Renewal Term. Notwithstanding the preceding sentence, it is the City's intention that the decision to renew or not to renew this Lease shall be made solely by the governing body of the City and not by any other official of the City. The City shall in any event, whether or not the Lease is to be renewed, furnish the Authority and the Lender, as assignee of the Authority's interest herein, with copies of its annual budget promptly after the budget is adopted.

The option hereby granted may not be exercised at any time during which an Event of Default has occurred and is then continuing under any of the terms of this Lease; provided, however, that if such Event of Default (money payments excepted) is curable but not within the period allowed for curing such Event of Default, then the City's right to exercise the option shall not be suspended if the City promptly commenced within such period cure of the breach and proceeds with diligence and continuity to cure the Event of Default.

(d) The City intends, subject to the provisions above respecting the failure of the City to budget or appropriate funds to make Rental Payments and Additional Payments, to continue the Lease Term and to pay the Rental Payments and Additional Payments hereunder. The City reasonably believes that legally available funds in an amount sufficient to make all Rental Payments and Additional Payments during the Original Term and each Renewal Term can be obtained. The City further intends to do all things lawfully within its power to obtain and maintain funds from which the Rental Payments and Additional Payments may be made, including making provision for such Rental Payments and Additional Payments to the extent necessary in each proposed annual budget submitted for approval in accordance with applicable procedures of the City and to exhaust all available reviews and appeals in the event such portion of the budget is not approved. Notwithstanding the foregoing, the decision to budget and appropriate funds or to continue the Lease Term is to be made in accordance with the City's normal procedures for such decisions.

(e) The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments for the Renewal Term shall be as provided in the Bond, as such schedule may be revised as provided therein.

Section 3.4. Termination of the Lease Term. The Lease Term will terminate, and the City's right, title and interest in and to this Lease (except to the extent of any conveyance pursuant to **Article XI** hereof) and its obligations hereunder shall terminate without penalty upon the earliest to occur of any of the following events:

(a) the expiration of the Original Term or any Renewal Term and the nonrenewal of the Lease Term resulting from an Event of Nonappropriation pursuant to **Section 5.6**;

(b) the exercise by the City of the option to purchase the Authority's interest in the Leased Property pursuant to **Section 11.1**;

(c) an Event of Default and the Authority's election to terminate this Lease as provided in **Article XII**;

(d) the payment by the City of all Rental Payments and Additional Payments required to be paid by the City hereunder; or

(e) March 16, 2035.

Section 3.5. Possession and Use of the Leased Property.

(a) The Authority covenants and agrees that as long as the City is not in default hereunder, the City shall have sole and exclusive possession of the Leased Property (subject to the Authority's right of access pursuant to **Section 3.6** hereof) and the City shall and may peaceably and quietly have, hold and enjoy the Leased Property during the Lease Term and shall have the right to use the Leased Property for any lawful public purpose. The Authority covenants and agrees that it will not take any action, except as expressly set forth in this Lease, to prevent the City from having quiet and peaceable possession and enjoyment of the Leased Property during the Lease Term and will, at the request and expense of the City, cooperate with the City in order that the City may have quiet and peaceable possession and enjoyment of the Leased Property.

(b) Subject to the provisions of this Section, the City shall have the right to use the Leased Property for any lawful purpose. The City shall comply 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 Leased Property or to any adjoining public ways, as to the manner of use or the condition of the Leased Property or of adjoining public ways. The City shall pay all costs, expenses, claims, fines, penalties and damages that may in any manner arise out of, or be imposed as a result of, the failure of the City to comply with the provisions of this Section; provided, however, the City may, at its own expense, contest in good faith or review by legal or other appropriate procedures the validity or applicability of any such statute, law, ordinance, order, judgment, decree, regulation, direction or requirement.

(c) The expiration or termination of the term of this Lease as to the City's right of possession of the Leased Property pursuant to this **Section 3.5** shall terminate the City's rights of use and occupancy of the Leased Property; provided, however, that all other terms of this Lease, including the continuation of the City's purchase right under **Section 11.1** hereof, shall be continuing until this Lease is discharged or foreclosed, as provided herein, except that all obligations of the City to pay any amounts shall thereafter be satisfied only as provided herein and, with respect to the Original Term or final Renewal Term prior to such expiration or termination as provided in the Lease, from Rental Payments that are payable prior to the termination of the Lease.

Section 3.6. Right of Access to the Leased Property. The City agrees that the Authority and the Lender, as assignee of the Authority's interest herein, and their duly authorized agents may, at reasonable times during business hours, subject to the City's usual safety and security requirements, examine and inspect the Leased Property without interference or prejudice to the City's operations. The City further agrees that the Authority and the Lender, as assignee of the Authority's interest herein, and their duly authorized agents shall have such rights of access to the Leased Property as may be reasonably necessary to (a) maintain and perform such work in and about the Leased Property made necessary by reason of the City's default under any of the provisions hereof, and (b) exhibit the Leased Property to prospective purchasers, lessees or trustees subsequent to an Event of Default or Event of Nonappropriation.

Section 3.7. Machinery and Equipment Purchased by the City. The City may from time to time at its own expense install machinery, equipment and other tangible property at the Leased Property. Any item of machinery or equipment the entire purchase price of which is paid by the City with the City'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, shall be and remain the property of the City and shall not constitute part of the Leased Property; provided, however, that title to any such machinery, equipment and other tangible property which becomes permanently affixed to the Leased Property shall be subject to this Lease, and shall be included under the terms of this Lease in the event that the Leased Property would be damaged or impaired by the removal of such machinery, equipment or other tangible property.

ARTICLE IV

ACQUISITION, INSTALLATION AND CONSTRUCTION OF THE PROJECT

Section 4.1. Acquisition, Installation and Construction of the Project.

(a) The City will make, execute, acknowledge and transact any and all contracts, orders, receipts, writings and instructions with any other persons, firms or corporations and in general do all things which may be necessary or proper, all for the construction, acquisition and installation of the Project. Construction, acquisition and installation of the Project will be in accordance with the construction or acquisition documents approved by the City, subject to reasonable change orders or any other reasonable changes approved by the City so long as such changes do not cause the Project to be used for purposes other than the lawful governmental purposes of the City. The City shall remain liable to any vendor or contractor in respect of its duties and obligations in accordance with each such contract or order and shall bear the risk of loss with respect to any loss or claim relating to any item of the Project covered thereby, and the Authority shall not assume any such liability or risk of loss.

(b) The City will acquire, construct and install the Project through the application of moneys in the Project Fund and will use its best efforts to complete the acquisition, construction and installation of the Project within a reasonable time. In no event, however, will there be any liability on the part of the Authority or the Lender, as assignee of the Authority, for failure to timely complete the Project, and there will be no diminution in or postponement of the Rental Payments required to be paid by the City during the Lease Term.

(c) If the amount available in the Project Fund is insufficient to pay the entire cost of constructing, acquiring, and installing the Project, the City either (i) will make such modifications to or deletions from the plans and specifications for the Project as will permit the Project to be acquired, constructed and installed from the amounts available therefor in the Project Fund or (ii) will complete the acquisition, construction and installation of the Project from whatever sources of funds are legally available to the City for that purpose (and will deposit or cause to be deposited those funds in the Project Fund).

(d) When the construction, acquisition and installation of the Project has been completed, the City will deliver a certificate to the Authority and the Lender stating that construction, acquisition and installation of the Project have been completed, the date thereof and, except for amounts estimated by the City to be necessary for payment of any Project Costs not then due and payable, all Project Costs have been paid. If the accounting of the Project Fund by the Authority shows that funds in the Project Fund will remain unexpended for Project Costs, the unexpended funds in the Project Fund will be applied to pay Rental Payments on the next scheduled Rental Payment Date.

ARTICLE V

CONVEYANCE OF LEASED PROPERTY TO AUTHORITY; RENTAL PAYMENT PROVISIONS FOR CITY'S SUBLEASE OF LEASED PROPERTY

Section 5.1. Conveyance of Leasehold Interest in Leased Property to Authority.

(a) *Base Lease.* Concurrently herewith, the City has leased the Leased Property to the Authority, and the Authority has leased the Leased Property from the Authority, for the rentals and upon and subject to the terms and conditions contained in the Base Lease.

(b) *Base Lease Rentals.* On the Closing Date, the Base Lease Rental Amount shall be deposited in accordance with the Project Escrow Agreement, as follows:

(i) The amount of \$1,433,243.75 shall be deposited with UMB Bank, N.A., as escrow agent, for deposit in the Refunding Escrow Fund, and applied to pay the Refunded Certificates pursuant to the Refunding Escrow Agreement.

(ii) The remaining amount of the Base Lease Rental Amount shall be deposited in the Project Fund and used to pay certain Project Costs as well as closing costs related to the Base Lease, this Lease and the Bond.

(c) *Title Insurance.* The City shall pay the cost of an Owner's Title Insurance Policy insuring the Authority's leasehold interest under the Base Lease, and a Loan Title Insurance Policy insuring the Lender's interest under the Deed of Trust, each providing coverage in an amount equal to the Base Lease Rental Amount, issued on the standard ALTA forms by a company reasonably acceptable to the Lender and authorized to issue such insurance in the State of Missouri, subject only to such exceptions as shall be acceptable to the Lender, with such endorsements and affirmative coverages as may be reasonably required by the Lender, including endorsements respecting access to public roads, and otherwise in form and substance satisfactory to the Lender.

(d) *Delivery of Bond and Deed of Trust.* In order to provide funds to pay the Base Lease Rental Amount for the Leased Property, the Authority agrees that, pursuant to the Bond Resolution, it will execute and deliver to the Lender the Bond and the Deed of Trust.

(e) *Costs of Closing and Recording.* The City shall pay all costs of Closing, whether assessed against the City or the Authority, including title insurance premiums, recording and filing fees, fees of Gilmore & Bell, P.C., as Special Tax Counsel to the City, Lender's origination fee and attorneys' fees, and any other fees incurred by the City, the Authority or the Lender in connection with the Closing.

Section 5.2. Rental Payments.

(a) The City covenants and agrees to make Rental Payments, exclusively from legally available funds, in lawful money of the United States of America, to the Lender, as assignee of the Authority's interest herein, during the Original Term and each Renewal Term, in the amounts sufficient to pay the aggregate amount of principal of and interest due on the Bond on the dates set forth in the Bond (or on any other date a Rental Payment is due whether at stated maturity, upon prepayment or otherwise), in funds which will be immediately available to the Lender on or before 11:00 a.m., Lender's local time, on such due dates. Each Rental Payment shall be in consideration for the use of the Leased Property by

the City for the period from the date of this Lease or, subsequent to the first Rental Payment Date, the immediately preceding Rental Payment Date.

(b) The City acknowledges and consents to the Authority's assignment of its rights hereunder to the Lender. The City and the Authority agree that the City will pay all Rental Payments directly to the Lender.

(c) If the City fails to make any portion of the Rental Payments that are due hereunder, the City will immediately quit and vacate the Leased Property, and the Rental Payments (except for Rental Payments that have been theretofore appropriated and then available for such purpose) shall thereupon cease. Neither the City nor any agency or political subdivision thereof is obligated to pay any Rental Payments, or the Option Purchase Price hereunder, except as provided herein. If the City fails to pay any portion of the required Rental Payments or Additional Payments and then fails to immediately quit and vacate the Leased Property, the Authority or the Lender, as assignee of the Authority's interest herein, may immediately bring legal action to evict the City from the Leased Property (and the City shall, to the extent permitted by law, pay as damages for its failure to quit and vacate the Leased Property upon termination of the then current term of this Lease in violation of the terms hereof an amount equal to the Rental Payments and Additional Payments otherwise payable during such term prorated on a daily basis) and commence proceedings to evict the City. No judgment may be entered against the City for failure to make any Rental Payments, Additional Payments or the Option Purchase Price hereunder, except to the extent that the City has theretofore incurred liability to make any such payments through its actual use and occupancy of the Leased Property, or through its exercise of an option that renews this Lease for an additional Renewal Term for which monies have been appropriated, or is otherwise obligated to make such payments pursuant to this Lease.

(d) If the City is not in default in paying Rental Payments under **Section 5.2** or Additional Payments under **Section 5.3**, the City may prepay Rental Payments, without penalty, at any time, with partial prepayments being applied in inverse order to the last installments of outstanding principal under the Bond.

Section 5.3. Additional Payments. The City shall timely pay during the Lease Term as Additional Payments, directly to the parties entitled thereto, the following amounts:

(a) All expenses (including without limitation reasonable attorneys' fees) incurred in connection with the enforcement of any rights hereunder by the Authority or the Lender or in connection with the protection of the Authority's interest in the Leased Property.

(b) All amounts of rebatable arbitrage, if any, required to be paid to the United States as provided herein or in the Tax Agreement.

(c) All other payments of whatever nature which the City has agreed to pay or assume with respect to the operation, maintenance and repair of the Leased Property, and otherwise under this Lease.

(d) All amounts payable by the Authority under the Bond (other than amounts payable as Rental Payments under **Section 5.2(a)** hereof) and the Deed of Trust.

If the City fails to pay any Additional Payments required by this Lease, the Authority or the Lender may (but shall be under no obligation to) pay such Additional Payments, which Additional Payments, together with interest thereon at the Prime Rate, are to be reimbursed to the Authority or the

Lender, by the City upon demand therefor, subject to the availability of sufficient legally available funds for such purpose.

Section 5.4. Rental Payments to Constitute Current Expenses of the City.

(a) The Authority and the City acknowledge and agree that the Rental Payments and Additional Payments hereunder shall constitute currently budgeted expenditures of the City, and shall not in any way be construed to be a general obligation or debt of the City in contravention of any applicable constitutional, statutory or charter limitation or requirements concerning the creation of indebtedness by the City, nor shall anything contained herein constitute a pledge of the general credit, tax revenues, funds or moneys of the City. The City's obligations to pay Rental Payments and Additional Payments hereunder shall be from year to year only, and shall not constitute a mandatory payment obligation of the City in any ensuing Fiscal Year beyond the then current Fiscal Year. No provision of this Lease shall be construed or interpreted as creating a delegation of governmental powers nor as a donation by or a lending of the credit of the City within the meaning of the Constitution of the State of Missouri. This Lease shall not directly or indirectly obligate the City to levy or pledge any form of taxation or make any appropriation or make any payments beyond those appropriated for the City's then current Fiscal Year, but in each Fiscal Year, Rental Payments shall be payable solely from the amounts budgeted or appropriated therefor out of the income and revenue provided for such year, plus any unencumbered balances from previous years. The City shall be under no obligation whatsoever to exercise its option to purchase the Authority's interest in the Leased Property under **Article XI** hereof. No provision of this Lease shall be construed to pledge or to create a lien on any class or source of City moneys, nor shall any provision of this Lease restrict the future issuance of any bonds or obligations payable from any class or source of moneys of the City. Failure of the City to budget and appropriate said moneys on or before the expiration of the Original Term or any Renewal Term shall be deemed a conclusive determination of non-availability of funds for the purpose of this Lease.

(b) The parties hereto agree that upon the expiration or termination of the Original Term and any Renewal Term and failure by the City to renew this Lease, the City shall be wholly discharged from any liability to make Rental Payments or Additional Payments hereunder.

Section 5.5. Obligations Absolute and Unconditional.

(a) The City hereby agrees that its obligation to pay the Rental Payments from legally available funds appropriated for such purpose shall be absolute and unconditional and, except as expressly herein provided, shall not be subject to any defense or any right of set-off, counterclaim or recoupment arising out of any breach by the Authority or the Lender, as assignee of the Authority's interest herein, of any obligation to the City, whether hereunder or otherwise, or out of any indebtedness or liability at any time owing to the City by the Authority or the Lender, as assignee of the Authority's interest herein. Notwithstanding any dispute between the City, the Authority or the Lender, as assignee of the Authority's interest herein, the City shall pay all Rental Payments and Additional Payments when due, and shall not withhold payment of any Rental Payments and Additional Payments pending the final resolution of such dispute.

(b) Nothing in this Lease shall be construed to release the Authority or the Lender, as assignee of the Authority's interest herein, from the performance of any agreement on its part herein contained or as a waiver by the City of any rights or claims which the City may have against the Authority or the Lender, as assignee of the Authority's interest herein, under this Lease or otherwise, but any recovery upon such rights and claims shall be had from the Authority or the Lender, as assignee of the Authority's interest herein, separately, it being the intent of this Lease that the City shall (except as provided in subsection (a) above) be unconditionally and absolutely obligated to perform fully all of its

obligations, agreements and covenants under this Lease (including the obligation to make Rental Payments and to make Additional Payments) for the benefit of the Authority or the Lender, as assignee of the Authority's interest herein. The City may, however, at its own cost and expense and in its own name or in the name of the Authority or the Lender, as assignee of the Authority's interest herein, prosecute or defend any action or proceeding or take any other action involving third persons which the City deems reasonably necessary in order to secure or protect its right of possession, occupancy and use of the Leased Property, and in such event the Authority hereby agrees to cooperate fully with the City and to take all action necessary to effect the substitution of the City for the Authority or the Lender, as assignee of the Authority's interest herein, in any such action or proceeding if the City shall so request.

Section 5.6. Event of Nonappropriation.

(a) If the governing body of the City does not budget and appropriate, specifically with respect to this Lease, on or before the end of each Fiscal Year, moneys sufficient to pay all Rental Payments and the reasonably estimated Additional Payments coming due for the then current Renewal Term, an Event of Nonappropriation shall be deemed to have occurred. If, during the Original Term or any Renewal Term, any Additional Payments become due that were not included in the City's current budget, or which exceeded the amounts that were included therefor in the City's current budget, then, in the event that moneys are not specifically budgeted and appropriated to pay such Additional Payments within 60 days subsequent to the date upon which such Additional Payments are due, an Event of Nonappropriation shall be deemed to have occurred.

(b) If an Event of Nonappropriation occurs, the City shall not be obligated to make payment of the Rental Payments or Additional Payments or any other payments provided for herein which accrue after the last day of the Original Term or Renewal Term during which such Event of Nonappropriation shall occur.

ARTICLE VI

MAINTENANCE, TAXES AND INSURANCE

Section 6.1. Maintenance, Repairs and Utilities.

(a) The City covenants and agrees that throughout the Lease Term and at its own expense it will (i) maintain, preserve and keep the Leased Property and all parts thereof in good repair, working order and operating condition, making from time to time all necessary and proper repairs thereto and renewals and replacements thereof, and (ii) keep the Leased Property and all parts thereof in safe condition and free from filth, nuisance or conditions unreasonably increasing the danger of fire or other casualty.

(b) The City shall contract in its own name and pay for all utilities and utility services used by the City in, on or about the Leased Property, and the City shall, at its sole cost and expense, procure any and all permits, licenses or authorizations necessary in connection therewith.

Section 6.2. Taxes, Assessments and Other Governmental Charges.

(a) The parties to this Lease contemplate that the Leased Property will be used for a governmental or proprietary purpose of the City and, therefore, that the Leased Property will be exempt from all taxes presently assessed and levied with respect to real or personal property. If the use, possession or acquisition of the Leased Property is found to be subject to taxation in any form (except for

income taxes of the Authority), the City will pay during the Lease Term, as the same respectively become due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Leased Property and any facilities, equipment or other property acquired by the City in substitution for, as a renewal or replacement of, or a modification, improvement or addition to the Leased Property as well as all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Leased Property; provided that, with respect to any governmental charge that may lawfully be paid in installments over a period of years, the City shall be obligated to pay only such installments as are accrued during such time as this Lease is in effect.

(b) The City may, in its own name or in the Authority's name, contest the validity or amount of any tax, assessment or other governmental charge which the City is required to bear, pay and discharge pursuant to the terms of this Article by appropriate legal proceedings instituted at least 10 days before the contested tax, assessment or other governmental charge becomes delinquent, if the City (i) before instituting any such contest, gives the Authority and the Lender, as assignee of the Authority's interest herein, written notice of the City's intention to do so, (ii) diligently prosecutes any such contest, (iii) at all times effectively stays or prevents any official or judicial sale therefor, under execution or otherwise, (iv) promptly pays any final judgment enforcing the tax, assessment or other governmental charge so contested, and (v) thereafter promptly procures record release or satisfaction thereof. The Authority agrees to cooperate with the City in connection with any and all administrative or judicial proceedings related to any tax, assessment or other governmental charge. The City shall hold the Authority and the Lender, as assignee of the Authority's interest herein, whole and harmless from any costs and expenses the Authority may incur in relation to any of the above.

Section 6.3. Property and Casualty Insurance.

(a) The City shall, at its sole cost and expense, maintain or cause to be maintained at all times throughout the Lease Term, a policy or policies of insurance, or shall demonstrate to the satisfaction of the Authority that adequate self-insurance is provided, to keep the Leased Property constantly insured against loss or damage by fire, lightning and all other risks covered by the all risk extended coverage insurance endorsement then in use in the State of Missouri in an amount equal to the Full Insurable Value of the Leased Property (subject to reasonable loss deductible clauses). The Full Insurable Value of the Leased Property shall be determined from time to time at the request of the City, the Authority or the Lender (but not more frequently than once in every three years) by an engineer, architect, contractor, appraiser, appraisal company or one of the insurers, to be selected and paid for by the City, subject to the Authority's and Lender's approval. The insurance required pursuant to this **Section 6.3** shall be maintained at the City's sole cost and expense, and shall be maintained with a generally recognized responsible insurance company or companies authorized to do business in the State of Missouri as may be selected by the City. All such policies of insurance, and all renewals thereof, shall name the City, the Authority and the Lender, as insureds as their respective interests may appear, shall name the City, the Authority and the Lender, as additional loss payees as their respective interests may appear, and shall contain a provision that such insurance may not be cancelled by the issuer thereof without at least 30 days' advance written notice to the City, the Authority and the Lender, and shall be payable to the City, the Authority and the Lender.

(b) Originals or copies of the insurance policies required under this Section, or certificates evidencing such coverage, each bearing notations evidencing payment of the premiums or other evidence of such payment, shall be delivered to the Authority and the Lender throughout the Lease Term.

(c) The Net Proceeds of property and casualty insurance carried pursuant to this Section or self-insurance program of the City shall be applied as provided in **Section 8.1** hereof.

Section 6.4. Public Liability Insurance.

(a) The City shall, at its sole cost and expense, maintain or cause to be maintained at all times during the Lease Term general accident and public liability insurance (including but not limited to coverage for all losses whatsoever arising from the ownership, maintenance, operation or use of any automobile, truck or other motor vehicle), or shall demonstrate to the satisfaction of the Authority and the Lender that adequate self-insurance is provided, under which the Authority, the Lender and the City shall be named as insureds, properly protecting and indemnifying the Authority, the Lender and the City, in amounts equal to the City's customary insurance practice for bodily injury (including death), and for property damage arising out of or in any way relating to the condition or the operation of the Leased Property (subject to reasonable loss deductible clauses). Each insurance policy provided for in this Section shall contain a provision to the effect that the insurance company may not cancel or materially modify the policy without first giving at least 30 days' advance written notice to the Authority, the Lender and the City. Such policies or copies or certificates thereof shall be furnished to the Authority and the Lender.

(b) In the event of a public liability occurrence, the Net Proceeds of liability insurance carried pursuant to this Section or self-insurance program of the City shall be applied toward the extinguishment or satisfaction of the liability with respect to which such proceeds have been paid.

Section 6.5. Workers' Compensation Insurance. The City shall maintain or cause to be maintained worker's compensation insurance required by the laws of the State of Missouri covering all employees of the City working on, in, near or about the Leased Property, or shall demonstrate to the satisfaction of the Authority and the Lender that adequate self-insurance is provided, and shall require any other person or entity working on, in, near or about the Leased Property to carry such coverage, and will furnish to the Authority and the Lender certificates evidencing such coverage throughout the Lease Term.

Section 6.6. Title Insurance. The Net Proceeds of the title insurance policy obtained pursuant to **Section 5.1(c)** hereof, shall be applied in accordance with the provisions of **Article VIII** hereof.

Section 6.7. Blanket Insurance, Self-Insurance and Modifications.

(a) The City may satisfy any of the insurance requirements set forth in this Article by using blanket policies of insurance which cover not only the Leased Property but other properties, provided that the City complies with each and all of the requirements and specifications of this Article respecting insurance.

(b) The City may, with the written consent of the Authority and the Lender, make modifications to its insurance coverage, including provisions for the City to be self-insured, in whole or in part, for any such coverage, taking into account the cost and availability of insurance and the effect of the terms and rates of such insurance upon the City's costs and charges for its services. The Authority and the Lender may rely upon a report of an insurance consultant chosen by the Lender. The permission of the Authority and the Lender to make such modifications shall not be unreasonably withheld.

Section 6.8. Advances. If the City fails to maintain the full insurance coverage required by this Lease or shall fail to keep the Leased Property in good repair and operating condition, the Authority or the Lender may (but shall be under no obligation to) purchase the required policies of insurance and pay the premiums on the same or may make such repairs or replacements as are necessary and provide for payment thereof. All amounts so advanced therefor by the Authority or the Lender shall become

additional rent for the then current Original Term or Renewal Term, which amounts, together with interest thereon at the Prime Rate, the City agrees to pay as Additional Payments hereunder.

Section 6.9. Release and Indemnification Covenants. The City shall, to the extent permitted by law, indemnify, protect and hold the Authority and the Lender, as assignee of the Authority's interest herein, harmless from and against any and all liability, losses, claims and damages whatsoever, and expenses in connection therewith, including, without limitation, counsel fees and expenses arising out of or as the result of the entering into this Lease, the ownership, use, operation or condition of the Leased Property or any part thereof, or any accident in connection with the operation, use or condition of the Leased Property or any part thereof resulting in damage to property or injury to or death of any person. The City shall, to the extent permitted by law, indemnify and save the Authority and the Lender, as assignee of the Authority's interest herein, harmless against any loss, liability or expense, including reasonable attorneys' fees, resulting from all claims by or on behalf of any person, firm or corporation arising from the conduct or management of, or from any work or thing done on, the Leased Property, and against and from all claims arising after the date hereof, from (a) any condition of the Leased Property caused by the City, (b) any breach or default on the part of the City in the performance of any of its obligations hereunder, (c) any contract entered by the City in connection with the purchase, construction and installation of the Leased Property, (d) any act of negligence of the City or of any of its agents, contractors, servants, employees or licensees, and (e) any act of negligence of any assignee or sublessee of the City, or of any agents, contractors, servants, employees or licensees of any assignee or lessee of the City. The City shall, to the extent permitted by law, indemnify and save the Authority and the Lender, as assignee of the Authority's interest herein, harmless from and against all costs and expenses (except those which have arisen from the willful misconduct or negligence of the Authority or the Lender) incurred in or in connection with any action or proceeding brought thereon, and upon notice from the Authority and the Lender, the City shall defend them or either of them in any such action or proceeding. The indemnification arising under this paragraph shall continue in full force and effect notwithstanding the full payment of all obligations under this Lease or the termination of the Lease Term for any reason. The City agrees not to withhold or abate any portion of the payments required pursuant to this Lease by reason of any defects, malfunctions, breakdowns or infirmities of the Leased Property or any part thereof.

Section 6.10. Hazardous Materials. The City shall not cause or permit the Leased Property to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials (defined in this **Section 6.10** below), except in compliance with all applicable federal, state and local laws or regulations, nor shall the City cause or permit, as a result of any intentional or unintentional act or omission of the City or any tenant or subtenant, a release of Hazardous Materials onto the Leased Property. The City shall comply with and ensure compliance by all tenants and subtenants with all applicable federal, state and local laws, ordinances, rules and regulations, wherever and by whomever triggered, and shall obtain and comply with, and ensure that all tenants and subtenants obtain and comply with, any and all approvals, registrations or permits required thereunder. The City shall (a) conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials, on, from or affecting the Leased Property (i) in accordance with all applicable federal, state and local laws, ordinances, rules, regulations and policies, (ii) to the satisfaction of the Authority and the Lender, and (iii) in accordance with the orders and directives of all federal, state and local governmental authorities, and (b) defend, indemnify and hold harmless the Authority and the Lender, as assignee of the Authority's interest herein, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of or in any way related to, (i) the presence, disposal, release or threatened release of any Hazardous Materials which are on, from or affecting the soil, water, vegetation, buildings, personal property, persons, animals or otherwise, (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials, and/or (iii) any violation of laws, ordinances,

orders, regulations, requirements or demands of governmental authorities, which are based upon or in any way related to any such Hazardous Materials including, without limitation, attorney and consultant fees, investigation and laboratory fees, court costs and litigation expenses. If the Authority or the Lender, as assignee of the Authority's interest herein, elects to control, operate, sell or otherwise claim property rights in the Leased Property as a remedy hereunder or if this Lease is terminated, the City shall deliver the Leased Property free of any and all Hazardous Materials so that the conditions of the Leased Property shall conform with all applicable federal, state and local laws, ordinances, rules or regulations affecting the Leased Property. Prior to any such delivery of the Leased Property, the City shall pay the Authority and the Lender, from its own funds, any amounts then required to be paid under (b) above. Notwithstanding anything in this Lease to the contrary, the agreements in the preceding two sentences and in (b) above shall survive termination of this Lease. For purposes of this paragraph, "Hazardous Materials" includes, without limit, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials defined in the Comprehensive Materials Response, Compensation, and Liability Act of 1980, and amended (42 U.S.C. Sections 9601, *et seq.*), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801 *et seq.*), and in the regulations adopted and publications promulgated pursuant thereto, or any other federal, state or local environmental law, ordinance, rule or regulation.

ARTICLE VII

ADDITIONS, MODIFICATIONS AND IMPROVEMENTS TO THE LEASED PROPERTY

Section 7.1. Additions, Modifications and Improvements to the Leased Property. The City may, at its sole cost and expense, make such additions, modifications, replacements and improvements in and to any part of the Leased Property as the City from time to time may deem necessary or desirable for its business purposes; provided, however, the City shall not make any additions, modifications, replacements or improvements which will adversely affect the operation of the Leased Property or substantially reduce their value. All additions, modifications, replacements and improvements made by the City pursuant to the authority of this Section shall (a) be made in workmanlike manner and in strict compliance with all laws, ordinances and regulations applicable thereto, (b) when commenced, be prosecuted to completion with due diligence, and (c) when completed, be deemed a part of the Leased Property.

Section 7.2. Additional Improvements to the Leased Property. The City may, at its sole cost and expense, construct on portions of the Leased Property not theretofore occupied by buildings or improvements such additional buildings and improvements as the City from time to time may deem necessary or desirable for its business purposes; provided however, the City shall not make any additions, modifications, alterations or improvements which will adversely affect the operation of the Leased Property or substantially reduce their value. All additional buildings and improvements constructed on the Leased Property by the City pursuant to the authority of this Section shall, during the life of this Lease, be a part of the Leased Property, and the City may add to, alter or improve the same subject to the terms and conditions hereof. The City covenants and agrees (a) to make any repairs and restorations required to be made to the Leased Property because of the construction of, addition to, or alteration of said additional buildings or improvements, (b) to keep and maintain said additional buildings and improvements in good condition and repair, ordinary wear and tear excepted, and (c) to promptly and with due diligence either raze and remove from the Leased Property in a good workmanlike manner, or repair, replace or restore any of said additional buildings and improvements as may from time to time be damaged by fire or other casualty.

Section 7.3. Permits and Authorizations. Neither the Authority nor the City shall do or permit others to do any work on the Leased Property related to any repair, rebuilding, restoration, replacement, modification, improvement or addition to the Leased Property, or any part thereof, unless all requisite municipal and other governmental permits and authorizations of any jurisdiction to which the City is subject have been first procured and payment therefor made. All such work shall be done in a good and workmanlike manner and in compliance with all applicable building, zoning and other laws, ordinances, governmental regulations and requirements and in accordance with the requirements, rules and regulations of all insurers under the policies required to be carried under the provisions of **Article VI** hereof.

Section 7.4. Mechanics' and Materialmen's Liens.

(a) Neither the Authority nor the City shall do or suffer anything to be done whereby the Leased Property, or any part thereof, may be encumbered by any mechanics' or materialmen's or other similar lien. Whenever and as often as any mechanic's or materialman's or other similar lien is filed against the Leased Property, or any part thereof, purporting to be for or on account of any labor done or materials or services furnished in connection with any work in or about the Leased Property, the City shall discharge the same of record within 60 days after the date of filing. Notice is hereby given that neither the Authority nor the Lender, as assignee of the Authority's interest herein, shall be liable for any labor or materials furnished to the City or to anyone claiming by, through or under the City upon credit, and that no mechanics' or materialmen's or other similar lien for any such labor, services or materials shall attach to or affect the reversionary or other estate of the Authority or the Lender in and to the Leased Property or any part thereof.

(b) Both the Authority and the City, notwithstanding subsection (a) above, shall have the right (except as hereinafter provided) to contest any such mechanics' or materialmen's or other similar lien, if the City (i) within said 60-day period stated above notifies the Authority and the Lender, as assignee of the Authority's interest herein, in writing of the City's intention to do so, (ii) diligently prosecutes such contest, (iii) at all times effectively stays or prevents any official or judicial sale of the Leased Property, or any part thereof or interest therein, under execution or otherwise, (iv) promptly pays or otherwise satisfies any final judgment adjudging or enforcing such contested lien claim, and (v) thereafter promptly procures record release or satisfaction thereof. If the Authority or the Lender notifies the City that, in the opinion of counsel, by nonpayment of such items, the Authority's or the Lender's, as assignee of the Authority's interest herein, title or interest in the Leased Property will be endangered, or the Leased Property or any part thereof will be subject to loss or forfeiture, then the City shall promptly pay or cause to be satisfied and discharged all such unpaid items (provided, however, that such payment shall not constitute a waiver of the right to continue to contest such items). The City shall hold the Authority and the Lender whole and harmless from any loss, costs or expenses the Authority or the Lender may incur in relation to any such contest. The Authority will cooperate fully with the City in any such contest.

ARTICLE VIII

DAMAGE, DESTRUCTION AND CONDEMNATION

Section 8.1. Damage and Destruction.

(a) If during the Lease Term, the Leased Property is damaged or destroyed, in whole or in part, by fire or other casualty, to such extent that the claim for loss (including any deductible amount

pertaining thereto) resulting from such damage or destruction is greater than \$10,000, the City shall promptly notify the Authority and the Lender, as assignee of the Authority's interest herein, in writing as to the nature and extent of such damage or loss and whether it is practicable and desirable to rebuild, repair, restore or replace such damage or loss.

(b) If the City determines that rebuilding, repairing, restoring or replacing is practicable and desirable, the City shall proceed promptly with and complete with reasonable dispatch such rebuilding, repairing, restoring or replacing of the property damaged or destroyed so as to place the Leased Property in substantially the same condition as existed prior to the event causing such damage or destruction, with such changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the City and as will not impair the operating utility or productive capacity of the Leased Property. The City, the Authority and the Lender, as assignee of the Authority's interest herein, shall cause the Net Proceeds of any insurance claim to be applied to the prompt repair, restoration, modification or improvement of the Leased Property. The City shall use any balance of the Net Proceeds remaining after such work has been completed for payment of Rental Payments hereunder. If said Net Proceeds are not sufficient to pay in full the costs of such replacement, repair, rebuilding or restoration, the City shall nonetheless complete the work and shall, subject to **Sections 3.3** and **5.2** hereof, pay that portion of the costs thereof in excess of the amount of said Net Proceeds.

(c) If the City determines that rebuilding, repairing, restoring or replacing the Leased Property is not practicable and desirable, any Net Proceeds of casualty insurance required by **Section 6.3** hereof and received with respect to any such damage or loss to the Leased Property shall be used to prepay the Rental Payments due hereunder, or if the City has exercised its option to purchase the Leased Property, shall be used to pay the applicable Option Purchase Price as provided herein. The City agrees to be reasonable in exercising its judgment pursuant to this subsection (c).

(d) The City shall not, by reason of its inability to use all or any part of the Leased Property during any period in which the Leased Property are damaged or destroyed, or are being repaired, rebuilt, restored or replaced, or by reason of the payment of the costs of such rebuilding, repairing, restoring or replacing, be entitled to any reimbursement from the Authority or the Lender, or any abatement or diminution of the amounts payable by the City hereunder or of any other obligations of the City hereunder except as expressly provided in this Section.

Section 8.2. Condemnation or Deficiency of Title.

(a) If title to, or the temporary use of, all or a portion of the Leased Property is challenged or threatened by means of competent legal or equitable action, the City covenants that it will cooperate with the Authority and the Lender, as assignee of the Authority's interest herein, and will take all reasonable actions, including where appropriate the lawful exercise of the City's power of eminent domain, to quiet title to the Leased Property in the City. Any Net Proceeds of title insurance or other award from such a challenge or threat of legal or equitable action shall be used to prepay the Rental Payments due hereunder.

(b) If during the Lease Term title to, or the temporary use of, all or part of the Leased Property is condemned by any authority having the power of eminent domain, the condemnation proceeds shall be used to prepay the Rental Payments due hereunder.

(c) The Authority shall cooperate fully with the City in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Leased Property or any part thereof, and shall, to the extent the Authority may lawfully do so, permit the City to litigate in any such proceeding in the name and on behalf of the Authority. In no event will the Authority voluntarily settle or

consent to the settlement of any prospective or pending condemnation proceedings with respect to the Leased Property or any part thereof without the written consent of the City.

ARTICLE IX

SPECIAL COVENANTS

Section 9.1. Disclaimer of Warranties. THE AUTHORITY MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE LEASED PROPERTY, OR ANY OTHER WARRANTY OR REPRESENTATION WITH RESPECT THERETO. In no event shall the Authority or the Lender, as assignee of the Authority's interest herein, be liable for incidental, indirect, special or consequential damage in connection with or arising out of this Lease or the existence, furnishing, functioning or City's use of any item or products or services provided for in this Lease; provided, however, that nothing herein shall be construed as relieving the Authority from its covenants and obligations under this Lease.

Section 9.2. Vendor's Warranties. The Authority hereby irrevocably appoints the City as its agent and attorney-in-fact during the Lease Term, so long as the City is not in default hereunder, to assert from time to time whatever claims and rights including warranties of the equipment which the Authority or the Lender, as assignee of the Authority's interest herein, may have against the vendor of any equipment which is or becomes a part of the Leased Property. The City's sole remedy for the breach of such warranty, indemnification or representation shall be against the vendor of such equipment, and not against the Authority or the Lender, as assignee of the Authority's interest herein,, nor shall such matter have any effect whatsoever on the rights and obligations of the Authority or the Lender with respect to this Lease, including the right to receive full and timely payments hereunder. The City expressly acknowledges that the Authority makes, and has made, no representation or warranties whatsoever as to the existence of availability of such warranties of the vendor of such equipment.

Section 9.3. Surrender of Possession. Upon accrual of the Authority's right of re-entry because of the City's default hereunder or upon the cancellation or termination of this Lease for any reason other than the City's purchase of the Leased Property pursuant to **Article XI** hereof, the City shall peacefully surrender possession of the Leased Property to the Authority or the Lender, as assignee of the Authority's interest herein, in good condition and repair, ordinary wear and tear excepted; provided, however, the City shall have the right within 120 days after the termination of this Lease to remove from the Leased Property any improvements, furniture, trade fixtures, machinery and equipment owned by the City and not constituting part of the Leased Property. All repairs to and restorations of the Leased Property which are required to be made because of such removal shall be made by and at the sole cost and expense of the City, and during said 120-day period the City shall bear the sole responsibility for and bear the sole risk of loss for said buildings, improvements, furniture, trade fixtures, machinery and equipment. All buildings, improvements, furniture, trade fixtures, machinery and equipment owned by the City and which are not so removed from the Leased Property prior to the expiration of said 120-day period shall be and become the separate and absolute property of the Authority or the Lender, as assignee of the Authority's interest herein.

Section 9.4. Granting of Easements. If no Event of Default or Event of Nonappropriation under this Lease has happened and is continuing, the City may at any time or times (a) grant easements, licenses, rights-of-way (including the dedication of public highways) and other rights or privileges in the nature of easements with respect to any property included in the Leased Property, or (b) release existing easements, licenses, rights-of-way and other rights or privileges, all with or without consideration and

upon such terms and conditions as the City shall determine. The Authority agrees that it will execute and deliver any instrument necessary or appropriate to confirm and grant or release any such easement, license, right-of-way or other right or privilege or any such agreement or other arrangement, upon receipt by the Authority of: (i) a copy of the instrument of grant or release or of the agreement or other arrangement, (ii) a written application signed by the City Representative requesting such instrument and (iii) a certificate executed by the City Representative stating that such grant or release is not detrimental to the proper conduct of the business of the City, will not impair the effective use or interfere with the efficient and economical operation of the Leased Property, and will not materially adversely affect the security intended to be given by or under the Leased Property Lease or this Lease. If the instrument of grant so provides, any such easement or right and the rights of such other parties thereunder shall be superior to the rights of the Authority under this Lease and shall not be affected by any termination of this Lease or by default on the part of the City hereunder. If no Event of Default or Event of Nonappropriation has happened and is continuing, any payments or other consideration received by the City for any such grant or with respect to or under any such agreement or other arrangement shall be and remain the property of the City, but, in the event of the termination of this Lease subsequent to an Event of Default or an Event of Nonappropriation, all rights of the City then existing with respect to or under such grant shall inure to the benefit of and be exercisable by the Authority.

Section 9.5. Authorized Authority and City Representatives. Whenever under the provisions hereof, the approval of the Authority or the City is required to take some action at the request of the other, unless otherwise provided, such approval or such request shall be given for the Authority by the Authority Representative and for the City by the City Representative and the Authority and the City shall be authorized to act on any such approval or request.

Section 9.6. Tax Covenants.

(a) The City and the Authority covenant and agree that they will comply with all provisions and requirements of the Tax Agreement, which is hereby incorporated as if set forth in full at this place. The Board of Aldermen of the City and the Board of Directors of the Authority will also adopt such other resolutions and take such other actions as may be necessary to comply with the Code and with other applicable future law, in order to ensure that the interest on the Bond will remain excluded from federal gross income, to the extent any such actions can be taken by the City or the Authority. The covenants in the Tax Agreement shall remain in full force and effect notwithstanding any other provision of this Lease, until the final payment of the Bond and any obligations refinancing such Bond.

(b) The Authority covenants that it shall: (i) maintain its status as an industrial development authority, with its activities and purposes limited to those permitted under Chapter 349 of the Revised Statutes of Missouri, as amended, (ii) not permit its income to inure to the benefit of any private person, (iii) use the original and investment proceeds of the Bond solely to prepay the Refunded Certificates, pay Project Costs and pay closing costs allocable thereto, and (iv) after the Bond has been paid, convey unencumbered fee title to the Leased Property to the City.

(c) The City covenants and warrants that: (i) it will use the proceeds of the Bond solely to prepay the Refunded Certificates, to pay Project Costs and to pay closing costs allocable to such purposes, and (ii) it will accept conveyance of unencumbered fee title to the Leased Property from the Authority when the Bond has been paid.

Section 9.7. City's Financial Statements; Additional Covenants of the Authority.

(a) So long as this Lease remains in effect, the City shall deliver to the Authority and the Lender, as assignee of the Authority's interest herein, as soon as available, a copy of the City's annual audited financial statements. Such audited financial statements will include the financial transactions of the City in accordance with generally accepted accounting principles.

(b) The Authority also covenants and agrees that upon payment of all the Rental Payments and Additional Payments and the exercise of the option granted in **Section 11.1** hereof, the Authority and its officers shall take all actions necessary to authorize, execute and deliver to the City any documents which may be necessary to vest in the City all of the Authority's interest in and to the Leased Property, including, if necessary, a release of any and all liens created under the provisions of this Lease, the Deed of Trust or otherwise by the Authority. The Authority agrees to defend or eliminate any claims adverse to such interest occurring after receipt by the Authority of its leasehold interest in the Leased Property; provided that the Authority's obligations under this provision shall not extend to claims arising out of actions by the City or persons asserting claims under it.

ARTICLE X

ASSIGNMENT AND SUBLEASING

Section 10.1. Assignment by the Authority.

(a) As of the date of this Lease, the Authority is entering into an Deed of Trust wherein the Authority is assigning and conveying to the Lender all of its rights under this Lease including its right to receive Rental Payments and certain other amounts under this Lease. The Authority's interest in, to and under this Lease may not be reassigned, in whole or in part, by the Authority. The City agrees to make all payments to the Lender and execute all documents, including chattel mortgages or financing statements that may be reasonably requested by the Authority or the Lender to protect their interests in this Lease and the Leased Property.

(b) Notwithstanding any provision in this Lease or the Deed of Trust to the contrary, the assignment by the Authority to the Lender under the Deed of Trust shall not constitute an assumption by the Lender of any of the Authority's duties, responsibilities or liabilities as lessor under this Lease.

Section 10.2. Assignment and Sublease by the City. The City may not assign its interest in this Lease for any reason. The City may, however, sublease the Leased Property as a whole or in part, without the necessity of obtaining the consent of the Authority, if the following conditions are satisfied:

(a) This Lease and the obligations of the City hereunder shall, at all times during the Original Term and any Renewal Term, remain obligations of the City, and the City shall maintain its direct relationship with the Authority, notwithstanding any sublease;

(b) Before entering into any sublease of the Leased Property or any portion thereof, the City shall obtain and file with the Authority and the Lender, as assignee of the Authority's interest herein, an Opinion of Special Tax Counsel to the effect that such sublease will not cause the interest payable on the Bond to be included in gross income for federal or Missouri income tax purposes; and

(c) The City shall, within 30 days after the delivery thereof, furnish or cause to be furnished to the Authority and the Lender, as assignee of the Authority's interest herein, a true and complete copy of each such sublease.

Section 10.3. Restrictions on Sale or Mortgage of the Leased Property by the Authority.

The City agrees that, except as set forth in **Section 7.1** and **Section 10.2** hereof or in other provisions of this Lease, it will not sell, convey, mortgage, encumber or otherwise dispose of any part of the Leased Property during the Lease Term, nor otherwise create any encumbrance thereon other than Permitted Encumbrances. Except as expressly provided in this Article, the Authority shall promptly take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim if the same shall arise at any time. The City shall reimburse the Authority for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

ARTICLE XI

OPTION AND OBLIGATION TO PURCHASE THE LEASED PROPERTY

Section 11.1. Option to Purchase the Authority's Interest in the Leased Property. At the option and request of the City, the Authority's interest in the Leased Property will be transferred, conveyed and assigned to the City and this Lease shall terminate:

(a) on any date, upon payment by the City of the then applicable Option Purchase Price plus all Rental Payments, Additional Payments and accrued interest on the outstanding principal amount of the Bond up to the date of purchase; or

(b) at the end of the Lease Term (including all Renewal Terms), upon payment in full of all Rental Payments and Additional Payments due hereunder and the payment of One Dollar (\$1.00).

To exercise the option under (a) above, the City shall give written notice to the Authority and the Lender, as assignee of the Authority's interest herein, and shall specify therein the date of closing such purchase, which shall be not less than 30 days from the date such notice is mailed to the Authority and the Lender (unless otherwise agreed by the Authority and the Lender).

Payment of the final Rental Payments and Additional Payments shall constitute exercise of the option granted hereunder without further action by the City.

Section 11.2. Conveyance of the Authority's Interest in the Leased Property. At the closing of any purchase of the Authority's interest in the Leased Property pursuant to this Article, the Authority upon payment by the City and receipt by the Authority of all amounts payable hereunder shall execute and deliver to the City all necessary documents terminating the Authority's interest in the Leased Property and conveying, transferring and assigning to the City all of the Authority's right, title and interest in and to the Leased Property.

Section 11.3. Relative Position of Option. The option granted to the City in this Article may be exercised whether or not the City is in default hereunder, provided that such default will not result in non-fulfillment of any condition to the exercise of any such option and further provided that all options herein granted shall terminate upon the termination of this Lease.

Section 11.4. Obligation to Purchase the Authority's Interest in the Leased Property. The City hereby agrees to accept conveyance of, and the Authority hereby agrees to convey, title to the Leased Property in consideration of the purchase price as set forth in **Section 11.1** hereof.

ARTICLE XII

DEFAULT AND REMEDIES

Section 12.1. Events of Default. If any one or more of the following events occurs and is continuing, it shall constitute an "Event of Default" under this Lease:

- (a) Failure by the City to pay any Rental Payment required to be paid hereunder at the time specified herein; or
- (b) Failure by the City to pay any Additional Payment or to observe or perform any other covenant, agreement, obligation or provision of this Lease on its part to be observed or performed, and such failure shall continue for 60 days after the Authority or the Lender, as assignee of the Authority's interest herein, has given the City written notice specifying such failure or such longer period as shall be reasonably required to cure such default; provided that (i) the City has commenced such cure within said 60-day period, and (ii) the City diligently prosecutes such cure to completion; or
- (c) Failure by the City to vacate the Leased Property within 30 days after the occurrence of an Event of Nonappropriation; or
- (d) The City shall vacate or abandon the Leased Property, and the same shall remain uncared for and unoccupied for a period of 60 days.

Section 12.2. Remedies on the Occurrence of an Event of Default or an Event of Nonappropriation. The City will immediately notify the Authority, the Lender and the Escrow Agent of any Event of Default or Event of Nonappropriation or any circumstance or event that, with the passage of time or the giving of notice or both, would qualify as an Event of Default. If an Event of Default or an Event of Nonappropriation has occurred and is continuing, then the Authority may at the Authority's election, then or at any time thereafter, and while such Event of Default or Event of Nonappropriation continues, take any one or more of the following actions:

- (a) cause the Rental Payments and any Additional Payments for the remainder of the Lease Term to become due and payable; or
- (b) give the City written notice of intention to terminate this Lease on a date specified in such notice, which date shall not be earlier than 30 days after such notice is given, and if all defaults have not then been cured, on the date so specified, the City's rights to possession of the Leased Property shall cease and this Lease shall thereupon be terminated, and the Authority may re-enter and take possession of the Leased Property; or
- (c) without terminating this Lease, re-enter the Leased Property or take possession thereof pursuant to legal proceedings or pursuant to any notice provided for by law, and having elected to re-enter or take possession of the Leased Property without terminating this Lease, the Authority shall use reasonable diligence to relet the Leased Property, or parts thereof, for such term or terms and at such rental and upon such other provisions and conditions as the Authority

may deem advisable, with the right to make alterations and repairs to the Leased Property, and no such re-entry or taking of possession of the Leased Property by the Authority shall be construed as an election on the Authority's part to terminate this Lease, and no such re-entry or taking of possession by the Authority shall relieve the City of its obligation to pay Rental Payments or Additional Payments (at the time or times provided herein), or of any of its other obligations under this Lease, all of which shall survive such re-entry or taking of possession, and the City shall continue to pay the Rental Payments and Additional Payments specified in this Lease until the end of the Lease Term, whether or not the Leased Property have been relet, less the net proceeds, if any, of any reletting of the Leased Property after deducting all of the Authority's reasonable expenses in or in connection with such reletting, including without limitation all repossession costs, brokerage commissions, legal expenses, expenses of employees, alteration costs and expenses of preparation for reletting.

Having elected to re-enter or take possession of the Leased Property without terminating this Lease, the Authority or the Lender, as assignee of the Authority's interest herein, may by notice to the City given at any time thereafter while the City is in default in the payment of Rental Payments or Additional Payments or in the performance of any other obligation under this Lease, elect to terminate this Lease on a date to be specified in such notice, which date shall be not earlier than 30 days after re-entry under subparagraph (c) above, and if all defaults have not then been cured, this Lease shall thereupon be terminated on the date so specified. If in accordance with any of the foregoing provisions of this Article the Authority has the right to elect to re-enter and take possession of the Leased Property, the Authority may enter and expel the City and those claiming through or under the City and remove the property and effects of both or either (forcibly if necessary) without being guilty of any manner of trespass and without prejudice to any remedies for arrears of rent or for preceding breach of covenant. The Authority may take whatever action at law or in equity which may appear necessary or desirable to collect rent then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the City under this Lease.

Section 12.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Authority or the Lender, as assignee of the Authority's interest herein, is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority or the Lender, as assignee of the Authority's interest herein, to exercise any remedy reserved to it in this Article it shall not be necessary to give any notice, other than such notices as may be expressly required in this Article.

Section 12.4. Attorneys' Fees and Expenses. If the City defaults under any of the provisions hereof, or if an Event of Nonappropriation has occurred, and the Authority or the Lender, as assignee of the Authority's interest herein, employs attorneys or incurs other expenses for the collection of Rental Payments or Additional Payments or the enforcement of performance of any obligation or agreement on the part of the City, then the City will on demand pay to the Authority and the Lender the reasonable fees of such attorneys and such other expenses so incurred.

Section 12.5. Waiver of Appraisal, Valuation, Stay, Extension and Redemption Laws. The City agrees, to the extent permitted by law, that in the case of a termination of the Lease Term by reason of an Event of Nonappropriation or an Event of Default, neither the City nor any one claiming through or under the City, shall or will set up, claim or seek to take advantage of any appraisal, valuation, stay, extension or redemption laws now or hereafter in force in order to prevent or hinder the

enforcement of this Lease; and the City, for itself and all who may at any time claim through or under it, hereby waives, to the full extent that it may lawfully do so, the benefit of all such laws.

ARTICLE XIII

AMENDMENTS, CHANGES AND MODIFICATIONS

Section 13.1. Amendments, Changes and Modifications. This Lease may not be effectively amended, changed, modified, altered or terminated without the written consent of the parties hereto.

ARTICLE XIV

MISCELLANEOUS PROVISIONS

Section 14.1. Notices. All notices, certificates or other communications required to be given hereunder shall be in writing and shall be deemed duly given when delivered or mailed by first-class, certified or registered mail, postage prepaid, to the parties at their respective addresses addressed as follows:

(a) To the Authority:

The Industrial Development Authority of the City of Centralia, Missouri
114 South Rollins
Centralia, MO 65240
Attention: President of the Board of Directors

With a copy to:

Central Bank of Boone County
Box 678
Columbia, MO 65205
Attn: Mr. Mike Watson (Ref: Centralia 2015 Bond)

(b) To the Lender:

Central Bank of Boone County
Box 678
Columbia, MO 65205
Attn: Mr. Mike Watson (Ref: Centralia 2015 Bond)

(c) To the City:

City of Centralia, Missouri
114 South Rollins
Centralia, MO 65240
Attention: Mayor

All notices given by first-class, certified or registered mail as aforesaid shall be deemed duly given as of the date they are so mailed. The Authority, the Lender and the City may from time to time

designate, by notice given hereunder to the other such parties, another address to which subsequent notices, certificates or other communications shall be sent.

Section 14.2. Authority Shall Not Unreasonably Withhold Consents and Approvals. Wherever in this Lease it is provided that the Authority shall, may or must give its approval or consent, or execute supplemental agreements or schedules, the Authority shall not unreasonably, arbitrarily or unnecessarily withhold or refuse to give such approvals or consents or refuse to execute such supplemental agreements or schedules.

Section 14.3. Security Interest. To secure the payment of all of the City's obligations under this Lease, to the extent permitted by law, the Authority retains a security interest in that portion of the Leased Property consisting of personal property or fixtures and on all additions, attachments, accessions thereto, substitutions therefor and on any proceeds therefrom. The City hereby authorizes the filing of financing statements and continuation of financing statements under the Uniform Commercial Code in connection with any security interest granted hereunder.

Section 14.4. Financing Statements and Other Filings. The City shall, on an ongoing basis, execute and deliver all documents, including financing statements, affidavits, notices and similar instruments, and make or cause to be made all filings and recordings necessary or desirable in order to perfect, preserve and protect the interest of the Authority in the Leased Property, to the extent possible under applicable law. The obligations under this Section shall survive any termination of this Lease.

Section 14.5. Limited Liability of Authority. No provision, covenant or agreement contained in this Lease or any obligation herein imposed upon the Authority or the Lender, as assignee of the Authority's interest herein, or the breach thereof, shall constitute or give rise to or impose any personal or pecuniary liability upon any director, officer or employee of the Authority or the Lender. Except with respect to any action for specific performance or any action in the nature of a prohibitory or mandatory injunction, neither the Authority, the Lender nor any director, officer or employee of the Authority or the Lender shall be liable to the City or any other person for any action taken by the Authority, the Lender or by its officers, servants, agents or employees, or for any failure to take action under this Lease except for its negligence or willful misconduct.

Section 14.6 Net Lease. The parties hereto agree that this Lease shall be deemed and construed to be a "net lease."

Section 14.7. Payments Due on Non-Business Days. If the date for making any payment or the last day for performance of any act or the exercising of any right, as provided in this Lease, is not a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Lease.

Section 14.8. Binding Effect. This Lease shall be binding upon and shall inure to the benefit of the Authority and the City and their respective successors and assigns.

Section 14.9. Severability. If for any reason any provision of this Lease is determined to be invalid or unenforceable, the validity and enforceability of the other provisions hereof shall not be affected thereby.

Section 14.10. Execution in Counterparts; Electronic Transaction. This Lease may be executed simultaneously in several counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument. The transactions described herein may be

conducted and related documents may be 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 14.11. Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State of Missouri.

[Remainder of page intentionally left blank.]

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

**THE INDUSTRIAL DEVELOPMENT
AUTHORITY OF THE CITY OF CENTRALIA,
MISSOURI,
as Lessor and Grantor**

By: _____
Name: David Hoppock
Title: President of the Board of Directors

(SEAL)

ATTEST:

Name: Gabe Martinez
Title: Secretary of the Board of Directors

**CITY OF CENTRALIA, MISSOURI,
as Lessee and Grantee**

By: _____
Name: Tim Grenke
Title: Mayor

(SEAL)

ATTEST:

Name: Heather Russell
Title: City Clerk

ACKNOWLEDGMENT

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

On this _____ day of November, 2015, before me, the undersigned, a Notary Public in and for said State, personally appeared **DAVID HOPPOCK**, to me personally known, who, being before me duly sworn, did say that he is the President of **THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF CENTRALIA, MISSOURI**, a Missouri statutory industrial development authority, and that the seal affixed to the foregoing instrument is the seal of said entity, and that said instrument was signed on behalf of said entity by authority of its Board of Directors, and said official acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said entity.

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

Notary Public in and for said State
Commission Expires:

*PLEASE AFFIX SEAL FIRMLY AND
CLEARLY IN THIS BOX*

ACKNOWLEDGMENT

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

On this _____ day of November, 2015, before me, the undersigned, a Notary Public in and for said State, personally appeared **TIM GRENKE**, to me personally known, who, being before me duly sworn, did say that he is the Mayor of the **CITY OF CENTRALIA, MISSOURI**, and that the seal affixed to the foregoing instrument is the seal of said City, and that said instrument was signed and sealed on behalf of said City by authority of its Board of Aldermen, and said official acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said City.

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

Notary Public in and for said State
Commission Expires:

*PLEASE AFFIX SEAL FIRMLY AND
CLEARLY IN THIS BOX*

EXHIBIT A

THE LEASED PROPERTY

The Leased Property consists of the following-described real property situated in the County of Boone, State of Missouri, together with the existing improvements thereon, and all additions, modifications, improvements, replacements and substitutions made thereto pursuant to the Lease, as they may at any time exist:

A portion of a tract of land described by a warranty deed recorded in Book 413 at Page 152 being the same tract as shown by a survey recorded in Book 442 at Page 645, located in Block I of John C. Hitt's Subdivision in the northeast quarter of the southeast quarter of section 16, township 51 north, range 11 west, Centralia, Boone County, Missouri, described as follows:

Starting at the northwest corner of Block I of John C. Hitt's Subdivision; Thence with the north line of Block I of John C. Hitt's Subdivision, S88°-44'-15"E, 520.4 feet to the projection of the east line of the survey recorded in Book 442 at Page 645 being the same line as described by the warranty deed recorded in Book 413 at Page 152; Thence with the east line of said survey, S1°-31'W, 60.0 feet to the south right-of-way line of Lakeview Street, said point being the Point of Beginning; Thence continuing with the east line of said survey, S1°-31'W, 240.0 feet; Thence parallel with the south right-of-way line of Lakeview Street, N88°-44'-15"W, 210.0 feet; Thence parallel with the east line of the survey recorded in Book 442 at Page 645, N1°-31'E, 150.0 feet; Thence parallel with the south right-of-way line of Lakeview Street, N88°-44'-15"W, 120.0 feet; Thence parallel with the east line of the survey recorded in Book 442 at Page 645, N1°-31'E, 90.0 feet to the south right-of-way line of Lakeview Street; Thence with the south right-of-way line, S88°-44'-15"E, 330.0 feet to the Point of Beginning and containing 1.40 acres.

* * *

PROJECT ESCROW AGREEMENT

LESSOR

(BORROWER): THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF CENTRALIA, MISSOURI

LESSEE: CITY OF CENTRALIA, MISSOURI

LENDER: CENTRAL BANK OF BOONE COUNTY, Columbia, Missouri

ESCROW AGENT: CENTRAL BANK OF BOONE COUNTY, Columbia, Missouri

DATE: November 24, 2015

DEPOSIT TO

PROJECT FUND: \$2,390,000.00

THIS PROJECT ESCROW AGREEMENT (the “Escrow Agreement”), dated as of the date set forth above, among the Lessor named above (“Lessor”), the Lessee named above (“Lessee”), the Lender named above (“Lender”) and the Escrow Agent named above, as Escrow Agent (“Escrow Agent”):

In consideration of the mutual covenants and agreements herein set forth, the parties hereto do hereby covenant and agree as follows:

1. This Escrow Agreement relates to the Lease Purchase Agreement (the “Lease”), of even date herewith, between Lessor and Lessee, and a Public Facilities Lease Revenue Bonds (City of Centralia, Missouri, Projects), Series 2015, in the amount of \$2,390,000 (the “Bond”), the repayment of which is limited solely to Rental Payments (defined in the Lease) made by the City under the Lease, and assigned by the Authority to the Lender under a Leasehold Deed of Trust, Security Agreement and Assignment of Rents and Leases of even date herewith (the “Deed of Trust”), given by the Authority to a trustee in favor of Lender, on the Leased Property (defined in the Lease).

2. Except as otherwise defined herein, all capitalized terms in this Escrow Agreement that are not otherwise defined herein will have the meaning set forth in the Lease.

3. Lessor, Lessee, Lender and Escrow Agent agree that Escrow Agent will act as sole Escrow Agent under the Lease and this Escrow Agreement, in accordance with the terms and conditions set forth in this Escrow Agreement. Escrow Agent in its capacity as Escrow Agent hereunder will not be deemed to be a party to the Lease, and this Escrow Agreement will be deemed to constitute the entire agreement among Lessor, Lessee, Lender and Escrow Agent.

4. There is hereby established in the custody of Escrow Agent a special trust fund designated as the “City of Centralia, Missouri 2015 Project Fund” (the “Project Fund”) to be held and administered by Escrow Agent in trust in accordance with this Escrow Agreement.

5. Lessor or Lender will deposit the amount set forth above in the Project Fund at the time of the execution and delivery by Lessor and Lessee of the Lease and this Escrow Agreement and issuance of the Bond by Lessor. Moneys held by Escrow Agent hereunder will be invested and reinvested by Escrow Agent upon order of a representative of Lessee or Lessor in Qualified Investments (as hereinafter defined) meeting the requirements specified in the Tax Compliance Agreement of even date herewith (the “Tax

Compliance Agreement”), among Lessee and Lessor, and maturing or subject to redemption at the option of the holder thereof prior to the date on which it is expected that such funds will be needed. Such investments will be held by Escrow Agent in the Project Fund, and any interest earned on such investments will be deposited in the Project Fund. Escrow Agent may act as purchaser or agent in the making or disposing of any investment.

6. “Qualified Investments” means to the extent the same are at the time legal for investment of the funds being invested: (i) direct general obligations of the United States of America; (ii) obligations the timely payment of the principal of and interest on which is fully and unconditionally guaranteed by the United States of America; (iii) general obligations of the agencies and instrumentalities of the United States of America acceptable to Lessee and Lessor; (iv) certificates of deposit, time deposits or demand deposits with any bank or savings institution including Escrow Agent or any affiliate thereof, provided that such certificates of deposit, time deposits or demand deposits, if not insured by the Federal Deposit Insurance Authority, are fully secured by obligations described in (i), (ii) or (iii) above; (v) repurchase agreements with any state or national bank or trust company, including Escrow Agent or any affiliate thereof, that are secured by obligations of the type described in (i), (ii) or (iii) above, provided that such collateral is free and clear of claims of third parties and that Escrow Agent or a third party acting solely as agent for Escrow Agent has possession of such collateral and a perfected first security interest in such collateral; (vi) investment contracts with a bank, bank holding company, insurance company or financial institution whose unsecured long-term indebtedness or claims-paying ability are rated at least AA by S&P or Aa3 by Moody’s and (vii) money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of AAAm-G, AAAm or AAAm.

7. Moneys in the Project Fund will be applied as follows:

- (a) \$1,433,243.75 will be paid to UMB Bank, N.A., pursuant to wiring instructions to be provided by the City, for deposit in an escrow trust fund to be applied, together with money on deposit in the reserve fund for the Refunded Certificates, to pay and redeem the Refunded Certificates on March 15, 2016; and
- (b) The remainder on deposit in the Project Fund will be used to pay Project Costs, including closing costs and the Lender’s origination fee, in the manner set forth below.

Payment will be made from the Project Fund for the Project Costs upon presentation to Escrow Agent of (a) a written request and certification in the form attached hereto as **Exhibit A**, signed by a City Representative and, except for costs incurred in connection with the execution and delivery of the Bond, the Base Lease and the Lease, approved for payment by Lender, and (b) certificates of insurance evidencing compliance with **Sections 6.3, 6.4 and 6.5** of the Lease.

Escrow Agent may rely conclusively on any such certificate and will not be required to make any independent investigation in connection therewith. Escrow Agent will make disbursements to pay Project Costs for which any such request is made within five business days of the receipt of that certificate.

8. The Project Fund will terminate upon the occurrence of the earlier of (a) the presentation to Lender and Escrow Agent of (i) a Completion Certificate, a form of which is attached hereto as **Exhibit B**, and (ii) final occupancy permit(s) respecting the Project issued by all appropriate governmental authorities; or (b) the presentation of written notification by Lessor that an Event of Default or an Event of Nonappropriation has occurred or that Lessee has terminated the Lease pursuant to **Section 5.6** of the Lease. The Completion Certificate may also state that it is given without prejudice to any rights of Lessee that then exist or may subsequently come into being against third parties. Upon termination as described in (a) or (b),

any amount remaining in the Project Fund will be promptly applied by Escrow Agent, without further authorization, as provided in **Section 4.1** of the Lease.

9. Lessee, Lessor and Escrow Agent will comply with the Tax Compliance Agreement. The Tax Compliance Agreement may be amended at any time without the consent of the parties hereto if in the opinion of Special Tax Counsel, such amendment is necessary or desirable to ensure that the interest components of Lease Payments will remain excluded from gross income for federal income tax purposes.

10. Escrow Agent may at any time resign by giving at least 30 days' written notice to Lessee, Lessor and Lender, but such resignation will not take effect until the appointment of a successor Escrow Agent. The substitution of another bank or trust company to act as Escrow Agent under this Escrow Agreement may occur by written agreement of Lessor and Lessee. In addition, Escrow Agent may be removed at any time, with or without cause, by an instrument in writing executed by Lessor and Lessee. In the event of any resignation or removal of Escrow Agent, a successor Escrow Agent will be appointed by an instrument in writing executed by Lessor and Lessee. Such successor Escrow Agent will indicate its acceptance of such appointment by an instrument in writing delivered to Lessor, Lessee, Lender, and the predecessor Escrow Agent. Thereupon such successor Escrow Agent will, without any further act or deed, be fully vested with all the trusts, powers, rights, duties and obligations of Escrow Agent under this Escrow Agreement, and the predecessor Escrow Agent will deliver all moneys and securities held by it under this Escrow Agreement to such successor Escrow Agent.

11. Escrow Agent incurs no liability to make any disbursements pursuant to this Escrow Agreement except from funds held in the Project Fund. Escrow Agent makes no representations or warranties as to the title to the Project or as to the performance of any obligations of Lessor or Lessee.

12. Escrow Agent makes no representation or admission and assumes no responsibility respecting the ownership, validity, genuineness or value of the fund, instruments, documents, matters or things, or any endorsement or assignment thereof, mentioned in this Escrow Agreement and the transaction between Lessee and its contractors relating to the Project.

13. Escrow Agent will be liable as a depository only and will not be responsible for the sufficiency or accuracy of the form, execution or validity of the documents herein referred to or deposited hereunder, nor will it be liable in any respect on account of the identity, authority or rights of the persons executing or delivering, or purporting to execute or deliver any such document, paper, matter or thing.

14. The decision of Escrow Agent reached by it in good faith by its officer and/or counsel that the stipulations in this Escrow Agreement have been complied with or not complied with will be binding upon the parties to this Escrow Agreement and upon all persons interested in the Project Fund, instrument, documents, matters or things, and Escrow Agent will not be liable for any loss, expense, claim or damage that may result or be claimed to result to any such part(ies) by reason of this Escrow Agreement acting upon the basis of such decision.

15. Escrow Agent is under no obligation whatsoever to superintend or monitor the Project.

16. Lessee, to the extent permitted by law, will indemnify and hold Escrow Agent harmless from any and all loss or damage of whatsoever kind and from any suits, claims or demands, including Escrow Agent's reasonable legal fees and expenses on account of any matter or thing arising out of this Escrow Agreement or in connection therewith, except for such suits, claims or demands resulting from Escrow Agent's own gross negligence or willful misconduct.

17. Lessee, Lessor and Lender, understand and agree that Escrow Agent is not the agent or representative of either party and this Escrow Agreement will not be construed to make Escrow Agent liable to materialmen, contractors, subcontractors, craftsmen, laborers or others for goods or services delivered or provided by them upon the Project or for debts or claims accruing to Lessee or Lessor against the Project, and it is distinctly understood and agreed that there is no contractual relationship, either express or implied, between Escrow Agent and any materialman, contractor, subcontractor, craftsman, laborer, or any other persons supplying any work, labor or material in the construction of the Project.

18. Lessee will pay any reasonable fee, if any, of Escrow Agent for its services under this Escrow Agreement.

19. This Escrow Agreement will be governed by and construed in accordance with the laws of the State of Missouri.

20. If any provision of this Escrow Agreement is held invalid or unenforceable by any court of competent jurisdiction, that holding will not invalidate or render unenforceable any other provision hereof.

21. This Escrow Agreement may not be amended except by a written instrument executed by Lessor, Lessee, Lender and Escrow Agent.

22. This Escrow Agreement may be executed in several counterparts, and each counterpart so executed will be an original. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents will be deemed to be authentic and valid counterparts of the original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law. The transaction described herein may be conducted and related documents may be stored by electronic means.

23. This written agreement is a final expression of the agreement between the parties hereto and that agreement may not be contradicted by evidence of any prior oral agreement or of a contemporaneous oral agreement between the parties hereto. No unwritten oral agreement between the parties exists.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, Lessor, Lessee, Lender and Escrow Agent have caused this Escrow Agreement to be executed by their duly authorized representatives.

**THE INDUSTRIAL DEVELOPMENT
AUTHORITY OF THE CITY OF CENTRALIA,
MISSOURI,
as Lessor**

By: _____
Name: David Hoppock
Title: President of the Board of Directors

**CITY OF CENTRALIA, MISSOURI,
as Lessee**

By: _____
Name: Tim Grenke
Title: Mayor

**CENTRAL BANK OF BOONE COUNTY,
as Lender**

By: _____
Name: Mike Watson
Title: Community Bank President

**CENTRAL BANK OF BOONE COUNTY,
as Escrow Agent**

By: _____
Name: Mike Watson
Title: Community Bank President

**EXHIBIT A
TO ESCROW AGREEMENT**

Request No. _____

Date: _____

**WRITTEN REQUEST FOR DISBURSEMENT FROM
PROJECT FUND**

To: Central Bank of Boone County, as Escrow Agent and Lender
Box 678
Columbia, MO 65205
Attn: Mr. Mike Watson, Community Bank President

Ladies and Gentlemen:

Pursuant to **Section 7** of the Escrow Agreement, dated as of November 24, 2015 (the “Escrow Agreement”), among The Industrial Development Authority of the City of Centralia, Missouri (“Lessor”), the City of Centralia, Missouri (“Lessee”), and you, as Lender and as Escrow Agent, Lessee hereby requests payment in accordance with this request and **Section 7** and hereby states and certifies as follows:

(a) All terms in this request are used with the meanings used in that certain Lease Purchase Agreement dated as of November 24, 2015 (the “Lease”), between Lessee and Lessor.

(b) The names of the persons, firms or corporations to whom the payments requested hereby are due, the amounts to be paid and the general classification and description of the Project Costs for which each obligation requested to be paid hereby was incurred are as set forth on **Attachment I** hereto.

(c) The amounts requested either have been paid by Lessee or Lessor, or are justly due to vendors, contractors, subcontractors, materialmen, engineers, architects or other persons (whose names and addresses are stated on **Attachment I** hereto) who have performed necessary and appropriate work or furnished necessary and appropriate materials, equipment or furnishings in the acquisition, construction and installation of the Project.

(d) All such materials, equipment or furnishings have been delivered to, and are located on, the Leased Property.

(e) No part of the amounts requested has been or is being made the basis for the withdrawal of any moneys in any previous or pending request under the Escrow Agreement.

(f) The amount remaining to be paid from the Project Fund will, after payment of the amounts requested, be sufficient to pay all remaining Project Costs necessary to complete the acquisition, construction and installation of the Project in accordance with any related construction contract and Lessee’s estimate of cost of work not under contract, if any, all in accordance with the plans and specifications for the Project.

(g) This certificate contains no request for payment on account of any retained percentage which Lessee is on the date hereof entitled to retain.

(h) There has not been filed with or served upon Lessee any notice of any lien, right to a lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts requested which has not been released or will not be released simultaneously with the payment of such obligation.

(i) Each of Lessee's representations contained in the Lease is true, correct and not misleading as though made as of the date hereof.

(j) No event exists that constitutes, or with the giving of notice of the passage of time or both would constitute, an Event of Default under the Lease.

(k) Invoices, statements, vouchers or bills for the amounts requested are attached hereto.

CITY OF CENTRALIA, MISSOURI

By: _____
(City Representative)

Name: _____

Title: _____

Approved by:

CENTRAL BANK OF BOONE COUNTY, as Lender

By: _____

Name: _____

Title: _____

ATTACHMENT I
TO WRITTEN REQUEST FOR DISBURSEMENT
FROM PROJECT FUND

SCHEDULE OF PAYMENTS REQUESTED

<u>Payee and Address</u>	<u>Amount</u>	<u>Description</u>
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**EXHIBIT B
TO ESCROW AGREEMENT**

FORM OF COMPLETION CERTIFICATE

To: Central Bank of Boone County, as Escrow Agent and Lender
Box 678
Columbia, MO 65205
Attn: Mr. Mike Watson, Community Bank President

Re: Lease Purchase Agreement, dated as of November 24, 2015 (the "Lease"), between The Industrial Development Authority of the City of Centralia, Missouri, as lessor ("Lessor"), and the City of Centralia, Missouri, as lessee ("Lessee")

Ladies and Gentlemen:

Pursuant to **Section 8** of the Escrow Agreement dated as of November 24, 2015 (the "Escrow Agreement"), among Lessor, Lessee and Central Bank of Boone County, as Escrow Agent and as Lender, the undersigned hereby certifies (a) all terms in this certificate are used with the meanings used in the Escrow Agreement, (b) the Project was completed on _____, 20__, (c) all other facilities necessary in connection with the Project have been acquired, constructed and installed, (d) the Project and such other facilities have been acquired, constructed and installed in accordance with their plans and specifications and in conformance with all applicable zoning, planning, building, environmental and other similar governmental regulations, (e) each of Lessee's representations contained in the Lease is true, correct and not misleading as though made as of the date hereof, (f) no event exists that constitutes, or with the giving of notice of the passage of time or both would constitute, an Event of Default thereunder, and (g) all Project Costs have been paid. This certificate is given without prejudice to any rights of Lessee that now exist or may subsequently come into being against third parties.

Date: _____, 20__.

CITY OF CENTRALIA, MISSOURI

By: _____
(City Representative)

Name: _____

Title: _____

DRAFT

TAX COMPLIANCE AGREEMENT

Dated as of November 24, 2015

Between

**THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF CENTRALIA, MISSOURI,**

And

CITY OF CENTRALIA, MISSOURI

\$2,390,000

**PUBLIC FACILITIES LEASE REVENUE BOND
(CITY OF CENTRALIA, MISSOURI, PROJECTS)
SERIES 2015**

TAX COMPLIANCE AGREEMENT

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* * *

TAX COMPLIANCE AGREEMENT

THIS TAX COMPLIANCE AGREEMENT (the “Tax Agreement”), entered into as of November 24, 2015, between **THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF CENTRALIA, MISSOURI**, a public corporation organized and existing under the laws of the State of Missouri (the “Authority”) and the **CITY OF CENTRALIA, MISSOURI**, a political subdivision organized and existing under the laws of the State of Missouri (the “City”).

RECITALS

1. This Tax Agreement is being executed and delivered in connection with the issuance by the Authority of its Public Facilities Lease Revenue Bond (City of Centralia, Missouri, Projects), Series 2015 in the original principal amount of \$2,390,000 (the “Bond”), payable to Central Bank of Boone County (the “Lender), and a Lease Purchase Agreement of even date herewith (the “Lease”), between the Authority, as grantor and lessor, and the City, as grantee and lessee, for the purposes described in this Tax Agreement, the Bond, and the Lease.

2. The Internal Revenue Code of 1986, as amended (the “Code”), and the applicable Regulations and rulings issued by the U.S. Treasury Department (the “Regulations”), impose certain limitations on the uses and investment of the Bond proceeds and of certain other money relating to the Bond and set forth the conditions under which the interest on the Bond will be excluded from gross income for federal income tax purposes.

3. The Authority and the City are entering into this Tax Agreement in order to set forth certain facts, covenants, representations, and expectations relating to the use of Bond proceeds and the property financed or refinanced with those proceeds and the investment of the Bond proceeds and of certain other related money, in order to establish and maintain the exclusion of the interest on the Bond from gross income for federal income tax purposes.

4. The Authority adopted a Tax and Disclosure Compliance Procedure on November 16, 2015 (the “Tax Compliance Procedure”), for the purpose of setting out general procedures for the City to continuously monitor and comply with the federal income tax requirements set out in the Code and the Regulations.

5. This Tax Agreement is entered into as required by the Tax Compliance Procedure to set out specific tax compliance procedures applicable to the Bond.

NOW, THEREFORE, in consideration of the foregoing and the mutual representations, covenants and agreements set forth in this Tax Agreement, the Authority and the City represent, covenant and agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions of Words and Terms. Except as otherwise provided in this Tax Agreement or unless the context otherwise requires, capitalized words and terms used in this Tax

Agreement have the same meanings as set forth in the Bond, and certain other words and phrases have the meanings assigned in Code §§ 103, 141-150 and the Regulations. The following words and terms used in this Tax Agreement have the following meanings:

“Annual Compliance Checklist” means a checklist for the Financed Facility designed to measure compliance with the requirements of this Tax Agreement and the Tax Compliance Procedure after the Issue Date as further described in **Section 4.2** and substantially in the form attached as **Exhibit E**.

“Authority” means The Industrial Development Authority of the City of Centralia, Missouri, a Missouri public benefit nonprofit corporation, and its successors and assigns, and any other corporation succeeding to or charged with the powers, duties, and functions of the Authority.

“Base Lease” means the Base Lease of even date herewith, between the City, as grantor, and the Authority, as grantee.

“Bond” means any Bond or Bonds described in the recitals.

“Bond Compliance Officer” means the City Administrator or other person named in the Tax Compliance Procedure.

“Code” means the Internal Revenue Code of 1986, as amended.

“City” means the City of Centralia, Missouri.

“Escrow Agent” means Central Bank of Boone County, Columbia, Missouri, and its successor or successors and any other corporation or association which at any time may be substituted in its place at the time serving as Escrow Agent under the Escrow Agreement.

“Escrow Agreement” means the Escrow Agreement of even date herewith, among the Authority, the City, the Lender, and the Escrow Agent.

“Final Written Allocation” means the written allocation of expenditures of proceeds of the Original Obligations, a summary of which is set forth on **Exhibit D** and the Final Written Allocation of expenditures prepared by the Bond Compliance Officer in accordance with the Tax Compliance Procedure and **Section 4.2(b)** of this Tax Agreement.

“Financed Facility” means the portion of the Project being financed or refinanced with the proceeds of the Bond and the Original Obligations as described on **Exhibit D**.

“Gross Proceeds” means (a) sale proceeds (any amounts actually or constructively received by the City from the execution and delivery of the Bond, including amounts used to pay underwriting discount or fees, but excluding pre-issuance accrued interest), (b) Investment proceeds (any amounts received from investing sale proceeds, or other Investment proceeds), (c) any amounts held in a sinking fund for the Bond, (d) any amounts held in a pledged fund or reserve fund for the Bond, (e) any other replacement proceeds and (f) any transferred proceeds. Specifically, Gross Proceeds includes (but is not limited) to amounts held in the Project Fund.

“Guaranteed Investment Contract” means any Investment with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate, including any agreement to supply Investments on two or more future dates (*e.g.*, a forward supply contract).

“Investment” means any security, obligation, annuity contract or other investment-type property that is purchased directly with, or otherwise allocated to, Gross Proceeds. This term does not include a tax-exempt bond, except for “specified private activity bonds” as defined in Code § 57(a)(5)(C), but it does include the investment element of most interest rate caps.

“IRS” means the United States Internal Revenue Service.

“Issue Date” means November 24, 2015.

“Lease” means the Lease Purchase Agreement of even date herewith, between the City, as grantee and lessee, and the Authority, as grantor and lessor.

“Lender” means Central Bank of Boone County, Columbia, Missouri.

“Management Agreement” means a legal agreement defined in Regulations § 1.141-3(b) as a management, service, or incentive payment contract with an entity that provides services involving all or a portion of any function of the Financed Facility, such as a contract to manage the Financed Facility or a portion thereof. Contracts for services that are solely incidental to the primary governmental function of the Financed Facility (for example, contracts for janitorial, office equipment repair, billing, or similar services), however, are not treated as Management Agreements.

“Measurement Period” means, with respect to each item of property financed by the New Money Portion as part of the Financed Facility, the period beginning on the later of (i) the Issue Date or (ii) the date the property is placed in service and ending on the earlier of (A) the final maturity date of the Bond or (B) the expected economic useful life of the Financed Facility. With respect to each item of property financed as part of the Financed Facility with proceeds of the Original Obligations, the term “Measurement Period” means the period beginning on the later of (i) the issue date of the Original Obligations or (ii) the date the property was or will be placed in service, and ending on the earlier of (A) the final maturity date of the Bond or (B) the end of the expected economic useful life of the property.

“Minor Portion” means 5% of the sale proceeds of the Bond.

“Net Proceeds” means, when used in reference to the Bond or the New Money Portion, the sale proceeds (excluding pre-issuance accrued interest), less any proceeds deposited in a reasonably required reserve or replacement fund, plus all Investment earnings on such sale proceeds.

“New Money Portion” means the portion of the Bond described in **Section 3.6**.

“Non-Qualified Use” means use of Bond proceeds or the Financed Facility in a trade or business carried on by any Non-Qualified User. The rules set out in Regulations § 1.141-3 determine whether Bond proceeds or the Financed Facility are “used” in a trade or business. Generally, ownership, a lease, or any other use that grants a Non-Qualified User a special legal right or entitlement with respect to the Financed Facility, will constitute use under Regulations § 1.141-3.

“Non-Qualified User” means any person or entity other than a Qualified User.

“Opinion of Special Tax Counsel” means the written opinion of Gilmore & Bell, P.C. or other nationally recognized firm of special tax counsel. Unless otherwise specifically noted herein an Opinion of Special Tax Counsel must conclude that the action or proposed action or the failure to act or proposed failure to act for which the opinion is required will not adversely affect the exclusion of the interest on the Bond from gross income for federal income tax purposes.

“Original Obligations” means the City’s Series 2008 Certificates, which was the first issue of tax-exempt governmental bonds that financed or refinanced a portion of the Financed Facility.

“Post-Issuance Tax Requirements” means those requirements related to the use of proceeds of the Bond, the use of the Financed Facility and the investment of Gross Proceeds after the Issue Date of the Bond.

“Project” means all of the property acquired, developed, constructed, renovated and equipped by the City using proceeds of the New Money Portion of the Bond and other money contributed by the City as described on **Exhibit D**.

“Project Fund” means the fund by that name established under the Escrow Agreement.

“Proposed Regulations” means the proposed arbitrage regulations REG 106143-07 (published at 72 Fed. Reg. 54606 (Sept. 26, 2007)).

“Qualified Use Agreement” means any of the following:

(1) A lease or other short-term use by members of the general public who occupy the Financed Facility on a short-term basis in the ordinary course of the City’s or the Authority’s governmental purposes.

(2) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 200 days in length pursuant to an arrangement whereby (a) the use of the Financed Facility under the same or similar arrangements is predominantly by natural persons who are not engaged in a trade or business and (b) the compensation for the use is determined based on generally applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed. Any Qualified User or Non-Qualified User using all or any portion of the Financed Facility under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(3) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 100 days in length pursuant to arrangements whereby (a) the use of the property by the person would be general public use but for the fact that generally applicable and uniformly applied rates are not reasonably available to natural persons not engaged in a trade or business, (b) the compensation for the use under the arrangement is determined based on applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed, and (c) the Financed Facility was not constructed for a principal purpose of providing the property for use by that Qualified User or Non-Qualified User. Any Qualified User or Non-Qualified User using all or any portion of the Financed Facility under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(4) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 50 days in length pursuant to a negotiated arm's-length arrangement at fair market value so long as the Financed Facility was not constructed for a principal purpose of providing the property for use by that person.

“Qualified User” means a State, territory, possession of the United States, the City of Columbia, or any political subdivision thereof, or any instrumentality of such entity, but it does not include the United States or any agency or instrumentality of the United States.

“Refunded Obligations” means \$1,555,000 currently outstanding principal amount of the Series 2008 Certificates.

“Refunding Portion” means the sale proceeds of the Bond identified in **Section 3.6** together with the remaining Gross Proceeds of the Bond properly allocable to the refunding of the Refunded Obligation.

“Regulations” means all Regulations issued by the U.S. Treasury Department to implement the provisions of Code §§ 103 and 141 through 150 and applicable to the Bond.

“Series 2008 Certificates” means the City’s \$1,985,000 original principal amount Certificates of Participation (Recreation Center Projects), Series 2008, issued on August 28, 2008.

“Special Tax Counsel” means Gilmore & Bell, P.C., or other firm of nationally recognized special tax counsel acceptable to the Authority and the City.

“Tax Agreement” means this Tax Compliance Agreement as it may from time to time be amended and supplemented in accordance with its terms.

“Tax Compliance Procedure” means the Authority’s Tax and Disclosure Compliance Procedure and Procedure dated as of November 16, 2015.

“Tax-Exempt Bond File” means documents and records for the Bond, the Refunded Obligations and the Original Obligations, maintained by the Bond Compliance Officer pursuant to the Tax Compliance Procedure.

“Transcript” means the Transcript of Proceedings relating to the authorization and issuance of the Bond.

“Yield” means yield on the Bond, computed under Regulations § 1.148-4, and yield on an Investment, computed under Regulations § 1.148-5.

ARTICLE II

GENERAL REPRESENTATIONS AND COVENANTS

Section 2.1. Representations and Covenants of the Authority. The Authority represents and covenants as follows:

(a) *Organization and Authority.* The Authority (1) is a public corporation duly organized and existing under the laws of the State of Missouri, and (2) has lawful power and authority to issue the Bond for the purposes described herein, to enter into, execute and deliver the Bond, the Lease, the Base Lease, the Escrow Agreement and this Tax Agreement and to carry out its obligations under this Tax Agreement and under such documents, and (3) by all necessary action has been duly authorized to execute and deliver the Bond, the Lease, the Base Lease, the Escrow Agreement and this Tax Agreement, acting by and through its duly authorized officials.

(b) *Tax-Exempt Status of Bond—General Representation and Covenants.* In order to maintain the exclusion of the interest on the Bond from gross income for federal income tax purposes, the City (1) will take whatever action, and refrain from whatever action, necessary to comply with the applicable requirements of the Code; (2) will not use or invest, or permit the use or investment of, any Bond proceeds, other money held in the Project Fund under the Escrow Agreement, or other funds of the City, in a manner that would violate applicable provisions of the Code; and (3) will not use, or permit the use of, any portion of the Financed Facility in a manner that would cause any portion of the Bond to become a “private activity bond” as defined in Code § 141.

(c) *IRS Form 8038-G.* Special Tax Counsel will prepare Form 8038-G (Information Return for Tax-Exempt Governmental Obligations) based on the representations and covenants of the Authority and the City contained in this Tax Agreement or otherwise provided by the Authority and the City. Special Tax Counsel will sign the return as a paid preparer following completion and will then deliver a copy to the Authority for execution and for the Authority’s records. The Authority agrees to timely execute and return to Special Tax Counsel the execution copy of Form 8038-G for filing with the IRS. A copy of the “as-filed” copy along with proof of filing will be included as **Exhibit B**.

(d) *Registered Bond.* Pursuant to its terms, the Bond will be issued and held in registered form within the meaning of Code § 149(a), or is not a “registration required bond” as that term is used in Code § 149(a).

(e) *Single Issue; No Other Issues.* The Bonds constitute a single “issue” under Regulations § 1.150-1(c). No other debt obligations of the Authority (1) are being sold within 15 days of the sale of the Bond, (2) are being sold under the same plan of financing as the Bond, and (3) are expected to be paid from substantially the same source of funds as the Bond (disregarding guarantees from unrelated parties, such as bond insurance).

(f) *Bank Qualified Tax-Exempt Obligation.* The Authority designates the Bond as a “qualified tax-exempt obligation” under Code § 265(b)(3), and with respect to this designation certifies as follows:

(1) the Authority reasonably anticipates that the amount of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) that will be issued by or on behalf of the Authority (and all subordinate entities of the Authority) during the calendar year that the Bond is issued, including the Bond, will not exceed \$10,000,000; and

(2) the Authority (including all subordinate entities of the Authority) will not issue tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) during the calendar year that the Bond is issued, including the Bond, in an aggregate principal amount or aggregate issue price in excess of \$10,000,000, without first obtaining an Opinion of Special Tax Counsel that the designation of the Bond as a “qualified tax-exempt obligation” will not be adversely affected.

(g) *Compliance with Future Tax Requirements.* The Authority understands that the Code and the Regulations may impose new or different restrictions and requirements on the Authority in the future. The Authority will comply with such future restrictions that are necessary to maintain the exclusion of the interest on the Bond from gross income for federal income tax purposes.

(h) *Authority Reliance on Other Parties.* The expectations, representations and covenants of the Authority described in this Tax Agreement and other matters are based in whole or in part upon covenants, representations and certifications of the City and other parties set forth in this Tax Agreement or exhibits to this Tax Agreement. Although the Authority has made no independent investigation of the representation of other parties, the Authority is not aware of any facts or circumstances that would cause it to question the accuracy or reasonableness of any representation made in this Tax Agreement or exhibits to this Tax Agreement.

Section 2.2. Representations and Covenants of the City. The City represents and covenants as follows:

(a) *Organization and Authority.* The City (1) is a political subdivision duly organized and existing under the laws of the State of Missouri, and (2) has lawful power and authority to execute and deliver the Lease, the Base Lease and the Escrow Agreement for the purposes set forth therein and to enter into, execute and deliver this Tax Agreement and to carry out its obligations under the Lease, the Base Lease, the Escrow Agreement and this Tax Agreement, and (3) by all necessary action has been duly authorized to execute and deliver the Lease, the Base Lease, the Escrow Agreement and this Tax Agreement, acting by and through its duly authorized officials.

(b) *Tax-Exempt Status of Bond—General Representation and Covenants.* In order to maintain the exclusion of the interest on the Bond from gross income for federal income tax purposes, the City (1) will take whatever action, and refrain from whatever action, necessary to comply with the applicable requirements of the Code; (2) will not use or invest, or permit the use or investment of, any Bond proceeds, or other funds of the City, in a manner that would violate applicable provisions of the Code; and (3) will not use, or permit the use of, any portion of the Financed Facility in a manner that would cause the Bond to become a “private activity bond” as defined in Code § 141.

(c) *Governmental Obligations—Use of Proceeds.* Throughout the Measurement Period, for federal income tax purposes, the Financed Facility has been and is expected to be owned by the City or another Qualified User. Throughout the Measurement Period, no portion of the Financed Facility has been or is expected to be used in a Non-Qualified Use. Throughout the Measurement Period, the City will not permit any Non-Qualified Use of the Financed Facility without first obtaining an Opinion of Special Tax Counsel.

(d) *Governmental Obligations—Private Security or Payment.* As of the Issue Date, the City expects that none of the principal and interest on the Bond will be (under the terms of the Bond or any underlying arrangement), and the payment of principal of and interest on the Refunded Obligation and on all other obligations which directly or indirectly refinanced the Original Obligations has not been (under the terms of the Bond or any underlying arrangement), directly or indirectly:

(1) secured by (i) any interest in property used or to be used for a private business use, or (ii) any interest in payments in respect of such property; or

(2) derived from payments (whether or not such payments are made to the City) in respect of property, or borrowed money, used or to be used for a private business use.

For purposes of the foregoing, taxes of general application, including payments in lieu of taxes, are not treated as private payments or as private security. The City will not permit any private security or payment with respect to the Bond without first obtaining an Opinion of Special Tax Counsel.

(e) *No Private Loan.* Not more than 5% of the Net Proceeds of the Bond will be loaned directly or indirectly to any Non-Qualified User.

(f) *Management Agreements.* As of the Issue Date, the City has no Management Agreements with Non-Qualified Users. During the Measurement Period, the City has not and will not enter into or renew any Management Agreement with any Non-Qualified User without first obtaining an Opinion of Special Tax Counsel.

(g) *Leases.* As of the Issue Date, other than the Lease and the Base Lease, the City has not entered into any subleases or other use agreements with respect to any portion of the Financed Facility other than Qualified Use Agreements. During the Measurement Period, the City will not enter into or renew any lease or similar agreement or arrangement other than a Qualified Use Agreement without first obtaining an Opinion of Special Tax Counsel.

(h) *Limit on Maturity of Bond.* A list of the assets included in the Financed Facility and a computation of the “average reasonably expected economic life” is attached to this Tax Agreement as **Exhibit D**. Based on this computation, the “average maturity” of the Bond, as computed by Special Tax Counsel, does not exceed 120% of the average reasonably expected economic life of the Financed Facility. The “average reasonably expected economic life” of the Financed Facility was determined as follows: the average economic life of the Financed Facility as of the issue date of the Original Obligations was first multiplied by 120%, then reduced by the number of years elapsed from the issue date of the Original Obligations to the Issue Date. The “average maturity” of the Bond, as computed by Special Tax Counsel, does not exceed the average reasonably expected economic life of the Financed Facilities, as such terms are used in Code § 147(b).

(i) *Expenditure of Bond Proceeds.*

(1) Reimbursement of Expenditures; Official Intent. On October 19, 2015, the governing body of the City adopted a resolution declaring the intent of the City to finance the New Money Portion of the Financed Facility with tax-exempt obligations and to reimburse the City for expenditures made for the New Money Portion of the Financed Facility prior to the issuance of such obligations. A copy of the resolution is attached to this Tax Agreement as **Exhibit C**. No portion of the Net Proceeds of the New Money Portion of the Bond will be used to reimburse an expenditure paid by the City prior to the Issue Date. The City will evidence each allocation of the proceeds of the New Money Portion of the Bond to an expenditure in writing. No reimbursement allocation will be made for an expenditure made more than 3 years before the date of the reimbursement allocation. In addition no reimbursement allocation will be made more than 18 months following the later of (1) the date of the expenditure or (2) the date the Financed Facility was placed in service.

(2) Final Allocation of Bond Proceeds to Expenditures. The City understands that, under Regulations § 1.148-6(d), the City is required to account for the allocation of the New Money Portion of the Bond proceeds to Project expenditures (including expenditures made before

and after the Issue Date of the Bond) within 18 months after the later of (A) the date the expenditure is made, or (B) the date the Project is placed in service, and in any event not later than the date that is 60 days after the fifth anniversary of the Issue Date or the date the Bond is retired, if earlier (a “Final Written Allocation”). The City will maintain accurate records of all expenditures made for the Project, including the amount, the date paid, a description of the purpose, and the source of funds (whether Bond proceeds or other money) allocated to each Project expenditure. Not later than the time limit set forth above, the City will prepare a Final Written Allocation, showing the allocation of Bond proceeds and other money to all Project costs and identifying the Financed Facility, and will maintain the Final Allocation in its books and records in accordance with **Section 4.2**. The City reserves the right to make modifications to the expected allocation of Bond proceeds and other money for purposes of compliance with the limitations on Non-Qualified Use following completion of the Financed Facility in accordance with, and within the time limits prescribed in, the Regulations. In the absence of such subsequent allocation, the Bond proceeds will be deemed allocated as shown on **Exhibit D**.

(j) *Bond Not Federally Guaranteed.* The City will not take any action or permit any action to be taken which would cause the Bond to be “federally guaranteed” within the meaning of Code § 149(b).

(k) *Hedge Bond.* At least 85% of the net sale proceeds of the New Money Portion of the Bond will be used to carry out the governmental purpose of the New Money Portion of the Bond within three years after the Issue Date, and not more than 50% of the proceeds of the New Money Portion of the Bond will be invested in Investments having a substantially guaranteed Yield for four years or more. At least 85% of the net sale proceeds of the Original Obligations were used to carry out the governmental purpose of the Original Obligations within three years after the issue date of the Original Obligations, and not more than 50% of the proceeds of the Original Obligations were invested in Investments having a substantially guaranteed Yield for four years or more.

(l) *Compliance with Future Tax Requirements.* The City understands that the Code and the Regulations may impose new or different restrictions and requirements on the City in the future. The City will comply with such future restrictions that are necessary to maintain the exclusion of the interest on the Bond from gross income for federal income tax purposes.

(m) *Interest Rate Swap.* As of the Issue Date, the City has not entered into an interest rate swap agreement or any other similar arrangement designed to modify its interest rate risk with respect to the Bond. The City will not enter into any such arrangement in the future without obtaining an Opinion of Special Tax Counsel.

(n) *Guaranteed Investment Contract.* As of the Issue Date, the City does not expect to enter into a Guaranteed Investment Contract for any Gross Proceeds of the Bond. The City will be responsible for complying with the requirements set forth in **Section 4.4(d)** if it decides to enter into a Guaranteed Investment Contract at a later date.

(o) *Bank Qualified Tax-Exempt Obligation.* The City acknowledges that the Authority has designated the Bond as a “qualified tax-exempt obligation” under Code § 265(b)(3). To support the validity of this designation, the City certifies as follows:

(1) the City reasonably anticipates that the amount of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) that will be issued by or on

behalf of the City (and all subordinate entities of the City) during the calendar year that the Bond is executed and delivered, including the Bond, will not exceed \$10,000,000; and

(2) the City (including all subordinate entities of the City) will not issue tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) during the calendar year that the Bond is issued, including the Bond, in an aggregate principal amount or aggregate issue price in excess of \$10,000,000, without first obtaining an Opinion of Special Tax Counsel that the designation of the Bond as a “qualified tax-exempt obligation” will not be adversely affected.

Section 2.4. Survival of Representations and Covenants. All representations, covenants and certifications of the Authority and the City contained in this Tax Agreement or in any certificate or other instrument delivered by the Authority and the City under this Tax Agreement, will survive the execution and delivery of such documents and the issuance of the Bond, as representations of facts existing as of the date of execution and delivery of the instruments containing such representations. The foregoing covenants of this Section will remain in full force and effect notwithstanding the defeasance of the Bond.

ARTICLE III

ARBITRAGE CERTIFICATIONS AND COVENANTS

Section 3.1. General. The purpose of this **Article III** is to certify, under Regulations § 1.148-2(b), the Authority’s and the City’s expectations as to the sources, uses and investment of Bond proceeds and other money, in order to support the Authority’s and the City’s conclusion that no portion of the Bond is an arbitrage bond. The person executing this Tax Agreement on behalf of the Authority is a director of the Authority, and the person executing this Tax Agreement on behalf of the City is an officer of the City.

Section 3.2. Reasonable Expectations. The facts, estimates and expectations set forth in this **Article III** are based upon and in reliance upon the Authority’s and the City’s understanding of the documents and certificates that comprise the Transcript, and the representations, covenants and certifications of the parties contained therein. To the Authority’s and the City’s knowledge, the facts and estimates set forth in this Tax Agreement are accurate, and the expectations of the Authority and the City set forth in this Tax Agreement are reasonable. Neither the Authority nor the City has any knowledge that would cause it to believe that the representations, warranties and certifications described in this Tax Agreement are unreasonable or inaccurate or may not be relied upon.

Section 3.3. Purpose of Financing. The Bond is being issued for the purpose of providing funds to (a) refund the Refunded Obligation, (b) finance the cost of the Project and (c) pay certain costs of issuance relating thereto. The purpose of the refunding of the Refunded Obligations is to achieve debt service savings and to provide for an orderly plan of finance.

Section 3.4. Project Fund. The Project Fund has been established under the Escrow Agreement in connection with the issuance of the Bond.

Section 3.5. Amount and Use of Bond Proceeds and Other Money.

(a) *Amount of Bond Proceeds.* The total proceeds to be received by the Authority from the sale and assignment of the Bond will be as follows: \$2,390,000.00.

(b) *Use of Bond Proceeds.* Proceeds of the Bond and other amounts are expected to be allocated to expenditures as follows:

(i) \$55,410.00 of Bond proceeds will be used to pay costs of issuance relating to the issuance of the Bond, including the origination fee.

(ii) \$1,433,243.75 of Bond proceeds, together with \$162,112.50 of money in the reserve fund for the Refunded Obligations, will be used to prepay the Refunded Obligations on the Issue Date.

(iii) \$901,346.25 of Bond proceeds will be deposited in the Project Fund and used to pay costs of the Financed Facility.

Section 3.6. Multipurpose Issue. Pursuant to Regulations § 1.148-9(h), the Authority and the City are applying the arbitrage rules to separate financing purposes of the issue that have the same initial temporary period as if they constitute a single issue for purposes of applying the arbitrage rules. Under Regulations § 1.148-9(h), the Bond will be treated as two separate issues (a New Money Portion and a Refunding Portion for purposes of applying certain of the arbitrage restrictions under Code § 148. The sale proceeds of the Bond allocable to the Refunding Portion is \$1,465,000.00. The sale proceeds of the Bond allocable to the New Money Portion is \$925,000.00.

Section 3.7. No Advance Refunding. No proceeds of the Bond will be used more than 90 days following the Issue Date to pay principal or interest on any other debt obligation.

Section 3.8. Current Refunding.

(a) *Proceeds Used For Current Refunding.* Proceeds of the Bond will be used to pay principal and interest on the Refunded Obligation. All such proceeds shall be spent on the Issue Date.

(b) *Transferred Proceeds.* As of the Issue Date the following unspent proceeds of the Refunded Obligations remain: approximately \$162,112.50 in the reserve fund for the Refunded Obligations. This amount will be spent on March 15, 2016 to refund the Refunded Obligations. Therefore, as of March 15, 2016, there will be no transferred proceeds of the Bonds.

Section 3.9. Project Completion – New Money Portion. The City, on behalf of the Authority, has incurred, or will incur within six months after the Issue Date, a substantial binding obligation to a third party to spend at least 5% of the Net Proceeds of the New Money Portion of the Bond on the Financed Facility. The completion of the Financed Facility and the allocation of the Net Proceeds of the New Money Portion of the Bond to expenditures will proceed with due diligence. At least 85% of the Net Proceeds of the New Money Portion of the Bond will be allocated to expenditures on the Financed Facility within three years after the Issue Date.

Section 3.10. No Sinking Funds. No sinking fund or other similar fund that is expected to be used to pay debt service on the Bond has been established or is expected to be established.

Section 3.11. Reserve, Replacement and Pledged Funds.

(a) *No Debt Service Reserve Fund.* No reserve or replacement fund has been established with respect to the Bond.

(b) *No Other Replacement or Pledged Funds.* None of the Bond proceeds will be used as a substitute for other funds that were intended or earmarked to pay costs of the Financed Facility or refund the Refunded Obligation, and that instead has been or will be used to acquire higher yielding Investments. Neither the City nor the Authority has established or expects to establish any separate funds with respect to the Bond or that are otherwise pledged or committed in a manner that provides a reasonable assurance that such funds would be available for payment of the principal of or interest on the Bond if the Authority or the City encounters financial difficulty.

Section 3.12. Purpose Investment Yield. The proceeds of the Bond will not be used to purchase an Investment for the purpose of carrying out the governmental purpose of the financing.

Section 3.13. Offering Price and Yield on the Bond.

(a) *Offering Price.* In the Investment Letter included as a part of the Transcript, the Lender has certified that it has purchased the Bond as principal for its own account and has not acted as agent for any person or entity. As of the Issue Date, the Lender has not sold and has no present intention to sell any portion of the Bond to any person. The aggregate initial offering price of the Bond is \$2,390,000, without accrued interest.

(b) *Yield.* Based on the offering price above, the Yield on the Bond is 3.6904515%, as computed by Special Tax Counsel and shown on **Exhibit A**. Neither the Authority nor the City has entered into an interest rate swap agreement with respect to any portion of the proceeds of the Bond.

Section 3.14. Miscellaneous Arbitrage Matters.

(a) *No Abusive Arbitrage Device.* The Bond is not and will not be part of a transaction or series of transactions that has the effect of (1) enabling the Authority or the City to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, and (2) overburdening the tax-exempt bond market.

(b) *No Over-Issuance.* The sale proceeds of the Bond, together with expected Investment earnings thereon and other money contributed by the Authority or the City, do not exceed the cost of the governmental purpose of the Bond as described above.

Section 3.15. Conclusion. On the basis of the facts, estimates and circumstances set forth in this Tax Agreement, neither the Authority nor the City expect that the Bond proceeds will be used in a manner that would cause any portion of the Bond to be an “arbitrage bond” within the meaning of Code § 148 and the Regulations.

ARTICLE IV

POST-ISSUANCE TAX COMPLIANCE REQUIREMENTS POLICIES AND PROCEDURES

Section 4.1. General.

(a) *Purpose of Article.* The purpose of this **Article IV** is to supplement the Tax Compliance Procedure and to set out specific policies and procedures governing compliance with the federal income tax requirements for the Bond that apply after the Bond is issued. The Authority and the City recognize that the interest on the Bond will remain excludable from gross income only if the Post-Issuance Tax Requirements are followed after the Issue Date. The Authority and the City further acknowledge that written evidence substantiating compliance with the Post-Issuance Tax Requirements must be retained in order to permit the Bond to be refinanced with tax-exempt obligations and substantiate the position that the interest on the Bond is exempt from gross income in the event of an audit of the Bond by the IRS.

(b) *Written Policies and Procedures.* The Authority is issuing the Bond on behalf of the City. The Authority was formed and will be controlled by the City during the term of the Bond. The Authority and the City have each adopted tax compliance procedures and the City agrees to act as the Authority's agent for monitoring compliance with the Post Issuance Tax Requirements for tax-exempt obligations issued by the Authority. The Authority and the City intend for the Tax Compliance Procedure, as supplemented by this Tax Agreement, to be the primary written policies and procedures for monitoring compliance with the Post-Issuance Tax Requirements for the Bond and to supplement any other formal policies and procedures related to the Post-Issuance Tax Requirements that the Authority or City has established. The provisions of this Tax Agreement are intended to be consistent with the Tax Compliance Procedure. In the event of any inconsistency between the Tax Compliance Procedure and this Tax Agreement, the terms of this Tax Agreement will govern.

(c) *Bond Compliance Officer.* The Authority, when necessary to fulfill the Post-Issuance Tax Requirements, will, through the Bond Compliance Officer, sign Form 8038-T in connection with the payment of arbitrage rebate or Yield reduction payments, participate in any federal income tax audit of the Bond or related proceedings under a voluntary compliance agreement procedures (VCAP) or undertake a remedial action procedure pursuant to Regulations § 1.141-12. In each case, all costs and expenses incurred by the Authority shall be treated as a reasonable cost of administering the Bond or the Lease, and the Authority shall be entitled to reimbursement and recovery of its costs by the City to the same extent as provided in the Lease or State law.

Section 4.2. Record Keeping; Use of Bond Proceeds and Use of Financed Facility.

(a) *Record Keeping.* The Bond Compliance Officer will maintain the Tax-Exempt Bond File for the Bond in accordance with the Tax Compliance Procedure. Unless otherwise specifically instructed in a written Opinion of Special Tax Counsel or to the extent otherwise provided in this Tax Agreement, the Bond Compliance Officer shall retain records related to the Post-Issuance Tax Requirements until 3 years following the final maturity of (i) the Bond or (ii) any obligation issued to refinance the Bond. Any records maintained electronically must comply with Section 4.01 of Revenue Procedure 97-22, which generally provides that an electronic storage system must (1) ensure an accurate and complete transfer of the hardcopy records which indexes, stores, preserves, retrieves and reproduces the electronic records, (2) include reasonable controls to ensure integrity, accuracy and reliability of the electronic storage system and to prevent unauthorized alteration or deterioration of electronic records, (3) exhibit a high degree of legibility and readability both electronically and in hardcopy, (4) provide support for other books and

records of the City and (5) not be subject to any agreement that would limit the ability of the IRS to access and use the electronic storage system on the Authority's premises.

(b) *Accounting and Allocation of Bond Proceeds to Expenditures.* The Bond Compliance Officer will account for the investment and expenditure of the proceeds of the New Money Portion of the Bond in the level of detail required by the Tax Compliance Procedure. The Bond Compliance Officer will supplement the expected allocation of the New Money Portion to expenditures with a Final Written Allocation as required by the Tax Compliance Procedure. A sample form of Final Written Allocation is attached as **Exhibit F**. Proceeds of the Refunding Portion of the Bond and other money will be used as described in **Sections 3.5, 3.7 and 3.8**. The Bond Compliance Officer will maintain accounting records showing the investment and expenditure of this money as part of the Tax-Exempt Bond File. The Bond Compliance Officer has prepared written substantiation records of the allocation of proceeds of the Original Obligations to the Financed Facility. This allocation is summarized on **Exhibit D** and is intended to constitute the Final Written Allocation for the Original Obligations.

(c) *Annual Compliance Checklist.* Attached as **Exhibit E** is a form of Annual Compliance Checklist for the Bond. The Bond Compliance Officer will prepare and complete an Annual Compliance Checklist for the Financed Facility at least annually, following the placed in service date of the Project, in accordance with the Tax Compliance Procedure. In the event the Annual Compliance Checklist identifies a deficiency in compliance with the requirements of this Tax Agreement, the Bond Compliance Officer will take the actions identified in an Opinion of Special Tax Counsel or **Section 4.4** of the Tax Compliance Procedure to correct any deficiency.

(d) *Opinions of Special Tax Counsel.* The Bond Compliance Officer is responsible for obtaining and delivering to the City and the Authority any Opinion of Special Tax Counsel required under the provisions of this Tax Agreement, including any Opinion of Special Tax Counsel required by this Tax Agreement or the Annual Compliance Checklist.

Section 4.3. Investment Yield Restriction. Except as described below, neither the Authority nor the City will invest Gross Proceeds at a Yield greater than the Yield on the Bond:

(a) *Project Fund.* Bond proceeds remaining in the Project Fund after payment of the Refunded Obligation on the Issue Date, and Investment earnings on those proceeds may be invested without Yield restriction for up to three years following the Issue Date. If any unspent proceeds remain in the Project Fund after three years, those amounts may continue to be invested without Yield restriction so long as the Authority or the City pays to the IRS all Yield reduction payments in accordance with Regulations § 1.148-5(c). These payments are required whether or not the Bond is exempt from the arbitrage rebate requirements of Code § 148.

(b) *Proceeds Allocable to a Current Refunding.* Bond proceeds allocable to a current refunding of the Refunded Obligations (see **Section 3.8**) may be invested without Yield restriction for up to 90 days after the Issue Date.

(c) *Minor Portion.* In addition to the amounts described above, Gross Proceeds not exceeding the Minor Portion may be invested without Yield restriction.

Section 4.4. Procedures for Establishing Fair Market Value.

(a) *General.* No Investment may be acquired with Gross Proceeds for an amount (including transaction costs) in excess of the fair market value of such Investment, or sold or otherwise disposed of

for an amount (including transaction costs) less than the fair market value of the Investment. The fair market value of any Investment is the price a willing buyer would pay to a willing seller to acquire the Investment in a bona fide, arm's-length transaction. Fair market value will be determined in accordance with Regulations § 1.148-5.

(b) *Established Securities Market.* Except for Investments purchased for a Yield-restricted defeasance escrow, if an Investment is purchased or sold in an arm's-length transaction on an established securities market (within the meaning of Code § 1273), the purchase or sale price constitutes the fair market value. Where there is no established securities market for an Investment, market value must be established using one of the paragraphs below. The fair market value of Investments purchased for a Yield-restricted defeasance escrow must be determined in a bona fide solicitation for bids that complies with Regulations § 1.148-5.

(c) *Certificates of Deposit.* The purchase price of a certificate of deposit (a "CD") is treated as its fair market value on the purchase date if (1) the CD has a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal, (2) the Yield on the CD is not less than the Yield on reasonably comparable direct obligations of the United States, and (3) the Yield is not less than the highest Yield published or posted by the CD issuer to be currently available on reasonably comparable CDs offered to the public.

(d) *Guaranteed Investment Contracts.* The Authority and the City are applying Regulations § 1.148-5(d)(6)(iii)(A) as amended by the Proposed Regulations (relating to electronic bidding of Guaranteed Investment Contracts) to the Bond. The purchase price of a Guaranteed Investment Contract is treated as its fair market value on the purchase date if all of the following requirements are met:

(1) Bona Fide Solicitation for Bids. The Authority, the City or the Escrow Agent makes a bona fide solicitation for the Guaranteed Investment Contract, using the following procedures:

(A) The bid specifications are in writing and are timely forwarded to potential providers.

(B) The bid specifications include all "material" terms of the bid. A term is material if it may directly or indirectly affect the Yield or the cost of the Guaranteed Investment Contract.

(C) The bid specifications include a statement notifying potential providers that submission of a bid is a representation (i) that the potential provider did not consult with any other potential provider about its bid, (ii) that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the Authority, the City, the Escrow Agent or any other person (whether or not in connection with the bond issue), and (iii) that the bid is not being submitted solely as a courtesy to the Authority, the City, the Escrow Agent or any other person, for purposes of satisfying the requirements of the Regulations.

(D) The terms of the bid specifications are "commercially reasonable." A term is commercially reasonable if there is a legitimate business purpose for the term other than to increase the purchase price or reduce the Yield of the Guaranteed Investment Contract.

(E) The terms of the solicitation take into account the Authority's and the City's reasonably expected deposit and draw-down schedule for the amounts to be invested.

(F) All potential providers have an equal opportunity to bid. For example, no potential provider is given the opportunity to review other bids (*i.e.*, a last look) before providing a bid.

(G) At least three "reasonably competitive providers" are solicited for bids. A reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of Investments being purchased.

(2) Bids Received. The bids received must meet all of the following requirements:

(A) At least three bids are received from providers that were solicited as described above and that do not have a "material financial interest" in the issue. For this purpose, (i) a lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until 15 days after the Issue Date of the issue, (ii) any entity acting as a financial advisor with respect to the purchase of the Guaranteed Investment Contract at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue, and (iii) a provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.

(B) At least one of the three bids received is from a reasonably competitive provider, as defined above.

(C) If an agent or broker is used to conduct the bidding process, the agent or broker did not bid to provide the Guaranteed Investment Contract.

(3) Winning Bid. The winning bid is the highest yielding bona fide bid (determined net of any broker's fees).

(4) Fees Paid. The obligor on the Guaranteed Investment Contract certifies the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the Guaranteed Investment Contract.

(5) Records. The Authority, the City and the Escrow Agent retain the following records with the Lease documents until three years after the Bond is prepaid:

(A) A copy of the Guaranteed Investment Contract.

(B) The receipt or other record of the amount actually paid for the Guaranteed Investment Contract, including a record of any administrative costs paid by the Authority, the City or the Escrow Agent, and the certification as to fees paid, described in paragraph (d)(4) above.

(C) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results.

(D) The bid solicitation form and, if the terms of Guaranteed Investment Contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

(e) *Other Investments.* If an Investment is not described above, the fair market value may be established through a competitive bidding process, as follows:

(1) at least three bids on the Investment must be received from persons with no financial interest in the Bond (*e.g.*, as underwriters or brokers); and

(2) the Yield on the Investment must be equal to or greater than the Yield offered under the highest bid.

Section 4.5 Certain Gross Proceeds Exempt from the Rebate Requirement.

(a) *The New Money Portion Qualifies as a Rebate-Exempt Small Issue.*

(1) the Authority is issuing the Bond on behalf of the City which is a governmental unit under State law with general taxing powers;

(2) the City reasonably believes and hereby irrevocably agrees that it will receive benefits from the Financed Facility commensurate with the \$2,390,000 original principal amount of the Bond;

(3) the City hereby irrevocably allocates \$2,390,000 principal amount of its 2015 calendar year \$5,000,000 small-issuer rebate exception under Code § 148(f)(4)(D)(i) and (iv) to the Authority;

(4) the Bond is not a “private activity bond” as defined in Code § 141;

(5) 95% or more of the Net Proceeds of the New Money Portion of the Bond are to be used for local governmental activities of the Authority and the City;

(6) the aggregate face amount of all tax-exempt bonds (other than private activity bonds) to be issued by the Authority and the City during the current calendar year is not reasonably expected to exceed \$5,000,000. The Authority and the City understand that, for this purpose; (a) the Authority and the City and all entities which issue bonds on behalf of the City are treated as one issuer; (b) all bonds issued by an entity subordinate to the City such as the Authority are treated as issued by the City; and (c) bonds issued by the City or the Authority to currently refund any other bond are not taken into account to the extent that the amount of the refunding bonds does not exceed the outstanding amount of the refunded obligations;

(b) *Refunding Portion Rebate Instructions.* All of the sale proceeds of the Refunding Portion will be used on the Issue Date to refund the Refunded Obligations and to pay an allocable share of the costs of issuance. No separate sinking, debt service, pledge, reserve, or other similar fund or account has been or is expected to be established for the Bond. Therefore, the Authority and the City expect that the

Refunding Portion will qualify for the six-month spending exception (Code § 148(f)(4)(B) and Regulations § 1.148-7(c)).

(c) *Conclusion.* Based on these certifications, Special Tax Counsel has advised the Authority and the City that (i) the New Money Portion of the Bond is exempt from the arbitrage rebate requirements of Code § 148(f), under the small-issuer exception set forth in Code § 148(f)(4)(D), and (ii) the Refunding Portion of the Bond is subject to the arbitrage rebate requirements of Code § 148(f), but a rebate calculation is not necessary for the Bond so long as the certifications and expectations made as of the Issue Date and contained in **Section 4.5** remain accurate after the Issue Date. If the certifications contained in **Section 4.5** are inaccurate, the Authority or the City will engage Special Tax Counsel, an independent certified public accountant or a rebate analyst to compute arbitrage rebate on the Bond and to pay rebate to the United States at least once every five years, and within 60 days after the discharge of the Bond, in accordance with Code § 148(f).

(d) *Filing Requirements.* The Authority or the City will file or cause to be filed with the IRS such reports or other documents as are required by the Code in accordance with an Opinion of Special Tax Counsel.

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 5.1. Term of Tax Agreement. This Tax Agreement will be effective concurrently with the issuance of the Bond and will continue in force and effect until the principal, redemption premium, if any, and interest on the Bond have been fully paid and the Bond is cancelled; provided that, the provisions of **Article IV** of this Tax Agreement regarding payment of arbitrage rebate and all related penalties and interest will remain in effect until all such amounts are paid to the United States.

Section 5.2. Amendments. This Tax Agreement may be amended from time to time by the parties to this Tax Agreement without notice to or the consent of the Lender, but only if such amendment is in writing and is accompanied by an Opinion of Special Tax Counsel to the effect that, under then existing law, assuming compliance with this Tax Agreement as so amended such amendment will not cause the interest on the Bond to be included in gross income for federal income tax purposes. No such amendment will become effective until the Authority and the City receive this Opinion of Special Tax Counsel.

Section 5.3. Opinion of Special Tax Counsel. The Authority and the City may deviate from the provisions of this Tax Agreement if furnished with an Opinion of Special Tax Counsel addressed to each of them to the effect that the proposed deviation will not adversely affect the exclusion of interest on the Bond from gross income for federal income tax purposes. The Authority and the City will comply with any further or different instructions provided in an Opinion of Special Tax Counsel to the effect that the further or different instructions need to be complied with in order to maintain the validity of the Bond and the exclusion from gross income of interest on the Bond.

Section 5.4. Reliance. In delivering this Tax Agreement, the Authority and the City are making only those certifications, representations and agreements as are specifically attributed to them in this Tax Agreement. Neither the Authority nor the City is aware of any facts or circumstances which would cause it to question the accuracy of the facts, circumstances, estimates or expectations of any other party providing certifications as part of this Tax Agreement and, to the best of their knowledge, those

facts, circumstances, estimates and expectations are reasonable. The parties to this Tax Agreement understand that their certifications will be relied upon by the law firm of Gilmore & Bell, P.C., in rendering its opinion as to the validity of the Bond and the exclusion from federal gross income of the interest on the Bond.

Section 5.5. Severability. If any provision in this Tax Agreement or in the Bond is determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not be affected or impaired.

Section 5.6. Benefit of Agreement. This Tax Agreement is binding upon the Authority and the City and their respective successors and assigns, and inures to the benefit of the parties to this Tax Agreement. Nothing in this Tax Agreement or in the Escrow Agreement, the Lease, the Base Lease, or the Bond, express or implied, gives to any person, other than the parties to this Tax Agreement, and their successors and assigns, any benefit or any legal or equitable right, remedy or claim under this Tax Agreement.

Section 5.7. Default; Breach and Enforcement. Any misrepresentation of a party contained herein or any breach of a covenant or agreement contained in this Tax Agreement may be pursued by the Lender or any other document which references this Tax Agreement and gives remedies for a misrepresentation or breach thereof.

Section 5.8. Execution in Counterparts. This Tax Agreement may be executed in any number of counterparts, each of which so executed will be deemed to be an original, but all such counterparts will together constitute the same instrument.

Section 5.9. Governing Law. This Tax Agreement will be governed by and construed in accordance with the laws of the State of Missouri.

Section 5.10. Electronic Transactions. The parties agree that the transaction described in this Tax Agreement may be conducted, and related documents may be stored, by electronic means.

[Remainder of page intentionally left blank.]

The parties to this Tax Agreement have caused this Tax Compliance Agreement to be duly executed by their duly authorized officers as of the Issue Date of the Bond.

**THE INDUSTRIAL DEVELOPMENT
AUTHORITY OF THE CITY OF CENTRALIA,
MISSOURI**

By: _____
Title: President of the Board of Directors

CITY OF CENTRALIA, MISSOURI

By: _____
Title: Mayor

Acknowledged by the Bond Compliance Officer:

City Administrator
City of Centralia, Missouri

EXHIBIT A

**DEBT SERVICE SCHEDULE, PROOF OF YIELD
AND
COMPUTATION OF WEIGHTED AVERAGE MATURITY**

EXHIBIT B

IRS FORM 8038-G

[to be provided]

ATTACHMENT TO IRS FORM 8038-G:

**\$2,390,000
PUBLIC FACILITIES LEASE REVENUE BOND
(CITY OF CENTRALIA, MISSOURI, PROJECTS)
SERIES 2015**

PART II: Type of Issue

Line 11-18 Users of Bond Proceeds:

Form 8038-G Line Number	User Name	Employer Identification Number	Governmental or Nongovernmental Entity	Summary of Use
18	City of Centralia, Missouri	43-6000692	Governmental	Recreational Center and Swimming Pool

EXHIBIT C

RESOLUTION OF OFFICIAL INTENT

EXHIBIT D

DESCRIPTION OF THE FINANCED FACILITY

New Money Portion of Bond:

Description	Year Placed in Service	Estimated Useful Life	Total Cost	Amount Financed From New Money Portion of Bond
City's community swimming pool	2016	20 years	\$900,000	\$900,000

Refunding Portion of Bond:

Description	Year Placed in Service	Estimated Useful Life	Total Cost	Amount Financed From Original Obligations	Issue Date of Original Obligation
Community Recreation Center	2009	40 years	\$1,835,051	\$1,735,051	8/28/2008

EXHIBIT E

FORM OF ANNUAL COMPLIANCE CHECKLIST

Name of tax-exempt bonds (“Bonds”) financing the Financed Facility:	\$2,390,000 The Industrial Development Authority of the City of Centralia, Missouri Public Facilities Lease Revenue Bond (City of Centralia, Missouri, Projects) Series 2015
Issue Date of Bonds:	November 24, 2015
Name of Bond Compliance Officer:	_____
Period covered by request (“Annual Period”):	_____

Description of Financed Facility:

(Bond: in lieu of completing the table below, the City may attach a copy of the Preliminary Cost Allocation or Final Written Allocation, as may be updated from time to time)

Description	Actual Date Placed in Service	Estimated Useful Life	Actual Total Cost	Actual Amount Financed From Bonds
Community Recreation Center	2009	40 years	\$1,835,051	\$1,735,051
City’s community swimming pool	2016	20 years		\$900,000

Item	Question	Response
1 Ownership	For federal income tax purposes, were all of the Financed Facilities owned by the City during the entire Annual Period?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was “No,” was an Opinion of Special Tax Counsel obtained prior to the transfer? If Yes, include a copy of the Opinion in the Tax-Exempt Bond File. If No, contact Special Tax Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No

2 Leases & Other Rights to Possession	During the Annual Period, was any portion of any Financed Facility subleased at any time pursuant to a lease or similar agreement for more than 50 days (i.e., did the City lease space in the building to any third party)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
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	<p>If answer above was “Yes,” was an Opinion of Special Tax Counsel obtained prior to entering into the lease or other arrangement?</p> <p>If Yes, include a copy of the Opinion in the Tax-Exempt Bond File.</p> <p>If No, contact Special Tax Counsel and include description of resolution in the Tax-Exempt Bond File.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
3 Management or Service Agreements	<p>During the Annual Period, has the management of all or any part of the operations of any Financed Facility been assumed by or transferred to another entity?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<p>If answer above was “Yes,” was an Opinion of Special Tax Counsel obtained prior to entering into the management agreement?</p> <p>If Yes, include a copy of the Opinion in the Tax-Exempt Bond File.</p> <p>If No, contact Special Tax Counsel and include description of resolution in the Tax-Exempt Bond File.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No

4 Other Use	<p>Was any other agreement entered into with an individual or entity that grants special legal rights (leases, management agreements, etc.) to all or any portion of a Financed Facility?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<p>If answer above was “Yes,” was an Opinion of Special Tax Counsel obtained prior to entering into the agreement?</p> <p>If Yes, include a copy of the Opinion in the Tax-Exempt Bond File.</p> <p>If No, contact Special Tax Counsel and include description of resolution in the Tax-Exempt Bond File.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No

5 Arbitrage & Yield Reduction Calculation	<p>Has the Authority or City set aside money in any fund or account in excess of an amount needed to pay debt service on the Bond within the next 12 months (i.e. more than one year of debt service is pre-funded)?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<p>If Yes, contact Special Tax Counsel and incorporate report or include description of resolution in the Tax-Exempt Bond File.</p>	

Bond Compliance Officer: _____
Date Completed: _____

EXHIBIT F

SAMPLE FINAL WRITTEN ALLOCATION

\$2,390,000

**THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF CENTRALIA, MISSOURI
PUBLIC FACILITIES LEASE REVENUE BOND
(CITY OF CENTRALIA, MISSOURI, PROJECTS)
SERIES 2015**

The undersigned is the Bond Compliance Officer of the City of Centralia, Missouri (the “City”), and in that capacity is authorized to execute federal income tax returns required to be filed by the City and to make appropriate elections and designations regarding federal income tax matters on behalf of the City. This allocation of the proceeds of the tax-exempt obligation referenced above (the “Bond”) is necessary for the City to satisfy ongoing reporting and compliance requirements under federal income tax laws.

Purpose. This document, together with the schedules and records referred to below, is intended to memorialize allocations of Bond proceeds to expenditures for purposes of §§ 141 and 148 of the Internal Revenue Code (the “Code”). All allocations are or were previously made no later than 18 months following the date the expenditure was made by the City or, if later, the date the “project” was “placed in service” (both as defined below), and no later than 60 days following the 5th anniversary of the issue date of the Bond.

Background. The Bond was issued on November 24, 2015 (the “Issue Date”), by The Industrial Development Authority of the City of Centralia, Missouri, a Missouri public corporation and subordinate entity of the City (the “Authority”). The Bond was issued in order to provide funds to (i) refinance the Series 2008 Certificates that financed the City’s Community Recreation Center, and (ii) finance improvements to the City’s community swimming pool in Centralia, Missouri (the “Project”). Proceeds of the Bond were deposited to the Project Fund (as defined in the Tax Compliance Agreement).

Sources Used to Fund Project Costs and Allocation of Bond Proceeds to Project Costs. A portion of the costs of the Project were paid from sale proceeds of the Bond and the remaining portion of the costs of the Project was paid from earnings from the investment of Bond proceeds and from other money of the City as shown on **Schedule 1** to this Final Written Allocation.

Identification of Financed Facility. The portions of the Project financed from Bond proceeds (i.e., the “Financed Facility” referenced in the Tax Compliance Agreement) are listed on page 1 of **Schedule 2** to this Final Written Allocation.

Identification and Timing of Expenditures for Arbitrage Purposes. For purposes of complying with the arbitrage rules, the City allocates the proceeds of the Bond to the various expenditures described in the invoices, requisitions or other substantiation attached as **Schedule 2** to this Final Written Allocation. In each case, the cost requisitioned was either paid directly to a third party or reimbursed the City for an amount it had previously paid or incurred. Amounts received from the sale of the Bond and retained as purchaser’s discount are allocated to that purpose and spent on the Issue Date. Amounts allocated to interest expense are treated as paid on the interest payment dates for the Bond.

Placed In Service. The Project was “placed in service” on the date set out on **Schedule 2** to this Final Written Allocation. For this purpose, the assets are considered to be “placed in service” as of the date on which, based on all the facts and circumstances: (1) the constructing and equipping of the asset

has reached a degree of completion which would permit its operation at substantially its design level; and (2) the asset is, in fact, in operation at that level.

This allocation has been prepared based on statutes and regulations existing as of this date. The City reserves the right to amend this allocation to the extent permitted by future Treasury Regulations or similar authorities.

CITY OF CENTRALIA, MISSOURI

By: _____

Title: _____

Dated: _____

Name of Legal Counsel/Law Firm Reviewing Final Written Allocation:

Date of Review: _____

**SCHEDULE 1
TO FINAL WRITTEN ALLOCATION**

ALLOCATION OF SOURCES AND USES

**SCHEDULE 2
TO FINAL WRITTEN ALLOCATION**

**IDENTIFICATION OF FINANCED ASSETS
AND
DETAILED LISTING OF EXPENDITURES**

[Attach Spreadsheet after Project is completed.]

ESCROW TRUST AGREEMENT

Dated as of November 24, 2015

Between

CITY OF CENTRALIA, MISSOURI

and

**UMB BANK, N.A.,
as Escrow Agent**

**Entered in Connection with the Prepayment and Discharge
Certificates of Participation
(Recreation Center Project)
Series 2008**

**Such series evidencing a proportionate interest of the owners thereof in Basic Rent Payments to be
made by the City of Centralia, Missouri
Pursuant to an Annually Renewable Lease Purchase Agreement dated as of August 15, 2008**

ESCROW TRUST AGREEMENT

THIS ESCROW TRUST AGREEMENT dated as of November 24, 2015 (the “Agreement”), between the **CITY OF CENTRALIA, MISSOURI** (the “City”), and **UMB BANK, N.A.**, a national banking association duly organized and existing under the laws of the United States of America, and having full trust powers, as escrow agent (the “Escrow Agent”).

RECITALS:

1. The City has heretofore duly executed and delivered a series of certificates of participation pursuant to a Declaration of Trust dated as of August 15, 2008, made by UMB Bank, N.A. (the “Refunded Certificates Trustee”), such certificates of participation evidencing interests of the owners thereof in the right to receive Basic Rent Payments to be made by the City pursuant to a Lease Purchase Agreement dated as of August 15, 2008. Such certificates of participation are summarized as follows:

<u>Series of Certificates</u>	<u>Date of Certificates</u>	<u>Original Principal Portion</u>	<u>Principal Portion Outstanding</u>
Certificates of Participation (Recreation Center Project), Series 2008 (the “Series 2008 Certificates”)	August 18, 2010	\$1,985,000	\$1,555,000

2. The City desires to prepay and refund the outstanding Principal Portion of the Basic Rent of the Series 2008 Certificates (the “Refunded Certificates”).

3. The City intends to provide for the prepayment of the Principal Portion of the Refunded Certificates Basic Rent and the accrued Interest Portion attributable thereto, on March 15, 2016, by depositing in the Escrow Fund (defined herein), proceeds of a Public Facilities Lease Revenue Bond (City of Centralia, Missouri, Projects), Series 2015 (the “Bond”) issued by The Industrial Development Authority of the City of Centralia, Missouri (the “Authority”), which proceeds will be paid to the City as consideration for the City’s lease of certain real property (the “Leased Property”) to the Authority under a Base Lease dated as of November 24, 2015. The repayment of the Bond will be made from rental payments paid by the City pursuant to a Lease Purchase Agreement dated as of November 24, 2015 (the “Lease”), between the Authority, as lessor, and the City, as lessee, the Authority’s interest in the Lease having been assigned to Central Bank of Boone County (the “Lender”), pursuant to a Leasehold Deed of Trust, Security Agreement and Assignment of Rents and Leases between the Authority, as grantor, and the Lender, as grantee.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. Definitions. The following words and terms used in this Escrow Agreement shall have the following meanings:

“**Agreement**” means this Escrow Trust Agreement.

“**Bond**” means the Public Facilities Lease Revenue Bond (City of Centralia, Missouri, Projects), Series 2015, issued by the Authority.

“**Bond Counsel**” means Gilmore & Bell, P.C., or other firm of attorneys nationally recognized on the subject of municipal bonds.

“**City**” means the City of Centralia, Missouri.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Escrow Agent**” means UMB Bank, N.A., Kansas City, Missouri, and its successor or successors at the time acting as the Escrow Agent under this Agreement.

“**Escrow Fund**” means the fund by that name referred to in **Section 3** of this Agreement.

“**Escrowed Securities**” means the direct non-callable obligations of the United States of America listed on **Schedule 2** attached hereto.

“**Lease**” means the Lease Purchase Agreement dated as of November 24, 2015, between the Authority, as lessor, and the City, as lessee, as from time to time amended and supplemented in accordance with the provisions thereof.

“**Prepayment Date**” means March 15, 2016

“**Refunded Certificates**” has the meaning defined in the Recitals.

“**Refunded Certificates Trustee**” means UMB Bank, N.A., Kansas City, Missouri, and any successor or successors at the time acting as trustee for any of the Series 2008 Certificates.

“**Series 2008 Certificates**” has the meaning defined in the Recitals.

“**Special Tax Counsel**” means Gilmore & Bell, P.C., or other firm of attorneys nationally recognized on the subject of municipal bonds.

“**2008 Declaration of Trust**” means the Declaration of Trust dated as of August 15, 2008, made by the Refunded Certificates Trustee.

“**2008 Lease**” means the Lease Purchase Agreement dated as of March 15, 2008, between the Trustee, as lessor, and the City, as lessee.

2. Receipt of Documents. The Escrow Agent hereby acknowledges receipt of a copy of the 2008 Declaration of Trust and the 2008 Lease, and reference herein to or citation herein of any provisions of said documents shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as if such provisions were fully set forth herein.

3. Creation of Escrow Fund. There is hereby created and established with the Escrow Agent the following special and irrevocable separate trust fund to be held in the custody of the Escrow Agent and designated as the “Escrow Fund for City of Centralia, Missouri Certificates of Participation (Recreation Center Project), Series 2008” (the “Escrow Fund”).

4. [Reserved]

5. Deposits to the Escrow Fund. Concurrently with the execution and delivery of this Agreement, the City herewith deposits with the Escrow Agent, and the Escrow Agent acknowledges receipt and deposit into the Escrow Fund of a total of \$1,595,356.25 consisting of the following:

- (a) \$1,433,243.75 from proceeds of the Bond; and
- (b) Money on deposit in the basic rent reserve fund for the Refunded Certificates in the amount of \$162,112.50.

The Refunded Certificates Trustee has acknowledged that such amounts will be sufficient, without investment earnings thereon, to pay the principal portion and accrued interest portion of the basic rent payments on the Refunded Certificates on the Prepayment Date. The Escrow Agent shall use such amount to the extent required to purchase the Escrowed Securities described in **Schedule 2** hereto, which shall be delivered to and deposited in the Escrow Fund, with any remaining portion of such amount being held in the Escrow Fund as a cash deposit.

6. Creation of Lien. The escrow created hereby shall be irrevocable. The owners of the Refunded Certificates are hereby given an express lien on and security interest in the Escrowed Securities and cash held in the Escrow Fund pursuant to **Section 5** hereof, and all earnings thereon until used and applied in accordance with this Agreement to pay the principal of and interest on the Refunded Certificates. The matured principal of and earnings on the Escrowed Securities and any cash in the Escrow Fund are hereby pledged and assigned and, except as provided in **Section 7(e)** hereof, shall be applied solely for the payments described herein.

7. Application of Cash and Escrowed Securities in the Escrow Fund.

(a) Except as otherwise expressly provided in this Section, the Escrow Agent shall have no power or duty to invest any money held hereunder or to sell, transfer or otherwise dispose of any Escrowed Securities.

(b) On or prior to the Prepayment Date, the Escrow Agent shall withdraw from the Escrow Fund an amount equal to the principal portion of and accrued interest portion of the basic rent payments on the Refunded Certificates to be redeemed on such date, as set forth in **Schedule 1** attached hereto, and shall forward from the Escrow Fund such amount to the offices of the Refunded Certificates Trustee, so that immediately available funds will reach the offices of such Refunded Certificates Trustee on or before 12:00 noon, Central Time, on such Prepayment Date. In order to make the payments required by this subsection (b), the Escrow Agent is hereby authorized to redeem or otherwise dispose of Escrowed Securities in accordance with the maturity schedules in **Schedule 2** attached hereto. The liability of the Escrow Agent to make the payments required by this subsection (b) shall be limited to the money and Escrowed Securities in the Escrow Fund. The Escrow Agent shall forward all amounts due on the Prepayment Date to the Refunded Certificates Trustee.

(c) Any other cash held from time to time in the Escrow Fund shall be held uninvested.

(d) Notwithstanding any other provisions of this Agreement, the City hereby covenants that no part of the proceeds of the Bond or of the money or funds in the Escrow Fund shall be used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of the Bond would have caused the Bond to be an "arbitrage bond" under Section 148 of the Code.

(e) After all transfers required by subsection (b) above have been made, all remaining money and Escrowed Securities in the Escrow Fund, together with any interest received thereon, shall be paid to the Lender, for the account of the City, to be applied to the next payment of principal or interest on the Bond. Payment to the Lender shall be by wire transfer of immediately available funds, in accordance with the following instructions:

[Insert Wiring instructions for Central Bank of Boone County]

8. [Reserved]

9. Prepayment of Refunded Certificates. The Escrow Agent hereby acknowledges that (a) the City has elected to prepay the Refunded Certificates prior to maturity on the Prepayment Date, and (b) the City has instructed the Refunded Certificates Trustee to give a notice of such prepayment in substantially the form of **Exhibit A** attached hereto by mailing a copy of the applicable notice by first class mail as soon as practicable the owners of the Refunded Certificates. The City has also given the Refunding Certificates Trustee irrevocable letter of instructions to redeem the Refunded Certificates called for prepayment prior to maturity and to give notice of said prepayment, in substantially the form of **Exhibit B** attached hereto, on behalf of the City pursuant to the requirements of the 2008 Declaration of Trust.

10. Reports of the Escrow Agent. As long as any of the Refunded Certificates, together with the interest thereon, have not been paid in full, the Escrow Agent shall, at least 60 days prior to the Prepayment Date, determine the amount of money which will be available in the Escrow Fund to pay the amounts provided herein on the Prepayment Date and, if funds are insufficient to pay the amounts due, certify in writing to the City the amount so determined, and provide a list of the money and Escrowed Securities held by it in the Escrow Fund on the date of such certification.

11. Liability of Escrow Agent.

(a) The Escrow Agent shall not be liable for any loss resulting from any investment, sale, transfer or other disposition made pursuant to this Agreement in compliance with the provisions hereof. The Escrow Agent shall have no lien whatsoever on any of the money or Escrowed Securities on deposit in the Escrow Fund for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement or otherwise.

(b) The Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of the Escrowed Securities and money to pay any amounts anticipated hereby with respect to the Refunded Certificates. So long as the Escrow Agent applies the Escrowed Securities and money as provided herein, the Escrow Agent shall not be liable for any deficiencies in the amounts necessary to pay the Refunded Certificates caused by such calculations. Notwithstanding the foregoing, the Escrow Agent shall not be relieved of liability arising from and proximate to its negligence or willful misconduct in its failure to comply fully with the terms of this Agreement.

(c) If the Escrow Agent fails to account for any of the Escrowed Securities or money received by it, said Escrowed Securities or money shall be and remain the property of the City in trust for the owners of the Refunded Certificates, and, if for any reason such Escrowed Securities or money are not

applied as herein provided, the assets of the Escrow Agent shall be impressed with a trust for the amount thereof until the required application shall be made.

(d) The Escrow Agent may rely and shall be protected in acting upon or refraining from acting upon in good faith any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, verification, order, bond, debenture, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(e) The Escrow Agent undertakes to perform such duties and only such duties as are specifically set forth in this Agreement.

(f) No provision of this Agreement shall be construed to relieve the Escrow Agent from liability for its own negligent action, its own negligent failure to act, or its willful misconduct, except that the Escrow Agent shall not be liable for any error of judgment made in good faith by an authorized officer, employee or agent of the Escrow Agent, unless it shall be proved that the Escrow Agent was negligent in ascertaining the pertinent facts.

(g) Whether or not therein expressly so provided, every provision of this Agreement relating to the conduct or affecting the liability of or affording protection to the Escrow Agent shall be subject to the provisions of this Section.

12. Fees and Costs of the Escrow Agent. The aggregate amount of the costs, fees and expenses of the Escrow Agent in connection with the creation of the escrow described in and created by this Agreement and in carrying out any of the duties, terms or provisions of this Agreement is a one-time fee in the amount of \$500.00 to be paid by the City, promptly upon receipt of an invoice therefor.

Notwithstanding the preceding paragraph, the Escrow Agent shall be entitled to reimbursement from the City of reasonable out-of-pocket, legal or extraordinary expenses incurred in carrying out the duties, terms or provisions of this Agreement. Claims for such reimbursement may be made to the City and in no event shall such reimbursement be made from funds held by the Escrow Agent pursuant to this Agreement.

If the Escrow Agent resigns prior to the expiration of this Agreement, the Escrow Agent shall rebate to the City a ratable portion of any fee theretofore paid by the City to the Escrow Agent, less the amount of the acceptance fee, for its services under this Agreement, such portion to be determined at the discretion of the Escrow Agent.

13. Resignation or Removal of Escrow Agent; Successor Escrow Agent. The Escrow Agent at the time acting hereunder may at any time resign and be discharged from its duties and responsibilities hereby created by giving written notice by registered or certified mail to the City and to the Refunded Certificates Trustee, along with written instruction such notice to be provided by such Refunded Certificates Trustee by first class mail to all of the owners of record of the Refunded Certificates not less than 60 days prior to the date when the resignation is to take effect. Such resignation shall take effect immediately upon the acceptance of the City of the resignation, the appointment of a successor Escrow Agent (which may be a temporary Escrow Agent) by the City, the acceptance of such successor Escrow Agent of the terms, covenants and conditions of this Agreement, the transfer of the Escrow Fund, including the money and Escrowed Securities held therein, to such successor Escrow Agent and the completion of any other actions required for the principal of and interest on the Escrowed Securities to be made payable to such successor Escrow Agent rather than the resigning Escrow Agent.

The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent and the City and signed by both the owners of a majority in principal amount of the Refunded Certificates then outstanding; provided that written notice thereof is mailed on or before the date of such removal by first class mail, postage prepaid, to all registered owners of such bonds, who are not parties to such instruments. The Escrow Agent may also be removed by the City if the Escrow Agent fails to make timely payment of immediately available funds on the Prepayment Date to the Refunded Certificates Trustee of the amounts required to be paid by it on such Prepayment Date by **Section 7** of this Agreement; provided that written notice thereof is mailed on or before the date of such removal by registered or certified mail, postage prepaid, to the Refunded Certificates Trustee and by first class mail to all registered owners of such Bonds, who are not parties to such instruments. Any removal pursuant to this paragraph shall become effective upon the appointment of a successor Escrow Agent (which may be a temporary successor Escrow Agent) by the City, the acceptance of such successor Escrow Agent of the terms, covenants and conditions of this Agreement, the transfer of the Escrow Fund, including the money and Escrowed Securities held therein, to such successor Escrow Agent and the completion of any other actions required for the principal of and interest on the Escrowed Securities to be made payable to such successor Escrow Agent rather than the Escrow Agent being removed.

If the Escrow Agent resigns or is removed, or is dissolved, or is in the course of dissolution or liquidation, or otherwise becomes incapable of acting hereunder, or if the Escrow Agent is taken under the control of any public officer or officers, or of a receiver appointed by a court, the City shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent is appointed by the City in the manner above provided, and any such temporary Escrow Agent so appointed by the City shall immediately and without further act be superseded by the successor Escrow Agent so appointed.

If no appointment of a successor Escrow Agent or a temporary successor Escrow Agent has been made by such owners or the City pursuant to the foregoing provisions of this Section within 60 days after written notice of resignation of the Escrow Agent has been given to the City or an instrument of removal has been delivered to the Escrow Agent, the holder of any of the Refunded Certificates or any retiring or removed Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent.

No successor Escrow Agent shall be appointed unless such successor Escrow Agent is a corporation with trust powers authorized to do business in the State of Missouri and organized under the banking laws of the United States or the State of Missouri, and has, or whose performance is guaranteed by a corporation which has, at the time of appointment capital and surplus of not less than \$25,000,000.

Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the City an instrument in writing accepting such appointment hereunder, and thereupon such successor Escrow Agent without any further act, deed or conveyance shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor and the duties and obligations of the predecessor hereunder shall cease and terminate, but such predecessor shall, nevertheless, on the written request of such successor Escrow Agent or the City, execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trusts of such predecessor hereunder, and every predecessor Escrow Agent shall deliver all securities and money held by it to its successor. Should any transfer, assignment or instrument in writing from the City be required by any successor Escrow Agent for more fully and certainly vesting in such successor Escrow Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Agent, any such transfer, assignment and instruments in writing shall, on request, be executed, acknowledged and delivered by the City.

Any corporation into which the Escrow Agent, or any successor to it of the duties and responsibilities created by this Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or reorganization to which the Escrow Agent or any successor to it may be a party, or any entity to which the Escrow Agent may sell or transfer all or substantially all of its corporate trust business, shall be the successor Escrow Agent under this Agreement without the execution or filing of any paper or any other act on the part of the parties hereto, anything herein to the contrary notwithstanding.

14. Limitation on Liability of the City. The City shall not be liable (a) for any loss resulting from any investment made pursuant to this Agreement, (b) for the accuracy of the calculations as to the sufficiency of the Escrowed Securities and money in the Escrow Fund to pay the principal of and interest on the Refunded Certificates, or (c) for any acts of the Escrow Agent.

15. Amendments to this Agreement. This Agreement is made for the benefit of the City and the owners from time to time of the Refunded Certificates, and it shall not be repealed, revoked, altered or amended without the written consent of all such owners, the Escrow Agent and the City; provided, however, that the City and the Escrow Agent may, without the consent of or notice to such owners, enter into agreements supplemental to this Agreement if such supplemental agreements do not adversely affect the rights of such owners and are not inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Escrow Agent for the benefit of the owners of the Refunded Certificates, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such owners or the Escrow Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of Bond Counsel with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the owners of the Refunded Certificates, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

16. Termination. This Agreement shall terminate when all transfers required to be made by the Escrow Agent under the provisions hereof shall have been made.

17. Notices. Except as otherwise provided herein, any notice, request, complaint, demand or other paper required by this Agreement shall be effective upon receipt by the addressee if the same is duly mailed by certified or registered mail and addressed as follows:

- (a) To the City at:

City of Centralia, Missouri
114 South Rollins Street
Centralia, Missouri 65240
Attention: Mayor

(b) To the Escrow Agent at:

UMB Bank, N.A.
Corporate Trust Department
1010 Grand Boulevard, 4th Floor
Kansas City, Missouri 64106

18. Indemnification. The City hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and hold harmless the Escrow Agent and its respective successors, assigns, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, at any time, the Escrow Agent (whether or not also indemnified against the same by the City or any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Agreement, the establishment of the Escrow Fund established hereunder, the acceptance of the moneys and securities deposited therein, the purchase of the Escrowed Securities, the retention of the Escrowed Securities or the proceeds thereof and any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement; provided however, that the City shall not be required to indemnify the Escrow Agent against its own negligence or willful misconduct. In no event shall the City be liable to any person by reason of the transactions contemplated hereby other than to the Escrow Agent as set forth in this **Section 18**. The indemnities contained in this **Section 18** shall survive the termination of this Agreement.

The Escrow Agent and its respective successors, assigns, agents, directors, officers, employees and servants shall not be held to any personal liability whatsoever, in tort, contract or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the moneys deposited therein, the purchase of the Escrowed Securities, the retention of the Escrowed Securities or the proceeds thereof or any payment, transfer or other application of the moneys or securities held by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, omission or error of the Escrow Agent made in good faith in the conduct of its duties. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel who may or may not be counsel to the City, and in reliance upon the opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the City.

19. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the City or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

20. Successors and Assigns. All of the covenants, promises and agreements in this Agreement contained by or on behalf of the City or the Escrow Agent shall be binding upon and inure to the benefit of their respective successors and assigns whether so expressed or not.

21. Governing Law. This Agreement shall be governed by the applicable law of the State of Missouri.

22. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

23. Electronic Storage of Documents. The City and the Escrow Agent agree that the transaction described herein may be conducted and related documents may be stored by electronic means.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed by their duly authorized officers or elected officials and their corporate seals to be hereunder affixed and attested as of the date first above written.

CITY OF CENTRALIA, MISSOURI

Mayor

(SEAL)

ATTEST:

City Clerk

**UMB Bank, N.A.,
as Escrow Agent**

By: _____
Name:
Title:

(SEAL)

ATTEST:

By: _____
Name:
Title:

**SCHEDULE 1
TO ESCROW TRUST AGREEMENT**

**BASIC RENT PAYMENTS TO MATURITY AND ESCROW REQUIREMENTS
FOR THE REFUNDED CERTIFICATES**

<u>Certificate Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
03/15/2017	<u>\$1,555,000.00*</u>	<u>\$40,356.25</u>	<u>\$1,595,356.25</u>
Total	<u>\$1,555,000.00</u>	<u>\$40,356.25</u>	<u>\$1,595,356.25</u>

* The \$1,475,000 principal amount of the Refunded Certificates scheduled to mature on March 15, 2017, and thereafter will be prepaid prior to maturity on March 15, 2016, at a prepayment price of 100% of the principal portion of the basic rent payments thereof plus the accrued interest portion of basic rent payments thereon.

**SCHEDULE 2
TO ESCROW TRUST AGREEMENT**

SCHEDULE OF ESCROWED SECURITIES

Maturity Date	Type	Purchase Price	Coupon Rate
03/14/2016	Treasury Note	\$ _____*	_____ %

* \$ _____ will be held uninvested as the initial cash balance in the Escrow Fund.

EXHIBIT A

NOTICE OF REFUNDING AND PREPAYMENT OF REFUNDED CERTIFICATES

**CITY OF CENTRALIA, MISSOURI
CERTIFICATES OF PARTICIPATION
(RECREATION CENTER PROJECT)
SERIES 2008**

DATED: AUGUST 18, 2008

Notice is hereby given that the City of Centralia, Missouri (the "City"), has refunded and made provision for the prepayment, discharge and defeasance of \$1,555,000 outstanding principal amount of its Certificates of Participation (Recreation Center Project), Series 2008 (the "Series 2008 Certificates"), maturing on March 15 in the years 2016 and thereafter (the "Refunded Certificates") in accordance with the requirements of the Declaration of Trust dated as of August 15, 2008 (the "Declaration of Trust"), pursuant to which the Series 2008 Certificates were issued. Such provision has been made pursuant to an advance refunding of the Refunded Certificates and by the depositing of sufficient moneys and direct obligations of the United States of America which, without any investment earnings, will be sufficient for the payment of the principal of and interest on the Refunded Certificates as the same shall become due and payable on **March 15, 2016** (the "Prepayment Date"). Said moneys and securities have been deposited in an irrevocable escrow fund for the Refunded Certificates pursuant to an Escrow Trust Agreement dated as of November 24, 2015, between the City and UMB Bank, N.A., Kansas City, Missouri, as escrow agent. Consequently, all of the Refunded Certificates are deemed to be paid and discharged within the meaning of the Declaration of Trust. The Refunded Certificates are further described as follows:

<u>Maturity Date</u>	<u>Principal Portion</u>	<u>Interest Rate</u>	<u>CUSIP</u>
03/15/2016	\$ 80,000	4.500%	156215 AH8
03/15/2019	260,000	4.750	156215 AK1
03/15/2022	300,000	5.100	156215 AL9
03/15/2025	345,000	5.250	156215 AM7
03/15/2028	570,000	5.500	156215 AN5

The prepayment price of the Refunded Certificates will be due and payable on **March 15, 2016**, and the Refunded Certificates will cease to bear interest from and after **March 15, 2016**.

This notice is for information only. **Owners of Refunded Certificates do not need to take any action at this time.** An additional notice of prepayment of the Refunded Certificates will be given prior to the **March 15, 2016**, prepayment date.

Dated: _____, 2015.

CITY OF CENTRALIA, MISSOURI

By UMB BANK, N.A., as trustee

EXHIBIT B

NOTICE OF PREPAYMENT OF CERTIFICATES

**CITY OF CENTRALIA, MISSOURI
CERTIFICATES OF PARTICIPATION
(RECREATION CENTER PROJECT)
SERIES 2008**

DATED: AUGUST 18, 2008

Notice is hereby given that the City of Centralia, Missouri (the "City"), has refunded and made provision for the prepayment, discharge and defeasance of \$1,555,000 outstanding principal amount of its Certificates of Participation (Recreation Center Project), Series 2008 (the "Series 2008 Certificates"), maturing on March 15 in the years 2016 and thereafter (the "Refunded Certificates") in accordance with the requirements of the Declaration of Trust dated as of August 15, 2008 (the "Declaration of Trust"), pursuant to which the Series 2008 Certificates were issued. Such provision has been made pursuant to an advance refunding of the Refunded Certificates and by the depositing of sufficient moneys and direct obligations of the United States of America which, without investment earnings thereon, will be sufficient for the payment of the principal of and interest on the Refunded Certificates as the same shall become due and payable on **March 15, 2016** (the "Prepayment Date"). Said moneys and securities have been deposited in an irrevocable escrow fund for the Refunded Certificates pursuant to an Escrow Trust Agreement dated as of November 24, 2015, between the City and UMB Bank, N.A., Kansas City, Missouri, as escrow agent. Consequently, all of the Refunded Certificates are deemed to be paid and discharged within the meaning of the Declaration of Trust. The Refunded Certificates to be redeemed on the Prepayment Date are further described as follows:

<u>Maturity Date</u>	<u>Principal Portion</u>	<u>Interest Rate</u>	<u>CUSIP</u>
03/15/2019	\$260,000	4.750%	156215 AK1
03/15/2022	300,000	5.100	156215 AL9
03/15/2025	345,000	5.250	156215 AM7
03/15/2028	570,000	5.500	156215 AN5

The Refunded Certificates maturing on March 15, 2017, and thereafter have been called for optional prepayment and will be prepaid, in accordance with the requirements of the Declaration of Trust, at UMB Bank, N.A., 1010 Grand, 4th Floor, Kansas City, Missouri 64106, Attn: Corporate Trust Department, at a prepayment price equal to 100% of the Principal Portion of the Base Rent thereof plus Interest Portions of Basic Rent accrued to the Prepayment Date. The prepayment price of the Refunded Certificates will be due and payable on **March 15, 2016**, and the Refunded Certificates will cease to bear interest from and after **March 15, 2016**.

The information contained in this notice has been submitted by the Obligated Person pursuant to contractual undertakings the Obligated Person made in accordance with SEC Rule 15c2-12. Nothing contained in the undertaking or this notice is, or should be construed as, a representation by the Obligated Person that the information included in this notice constitutes all of the information that may be material to a decision to invest in, hold or dispose of any of the securities listed above, or any other securities of the Obligated Person.

For additional information, contact:

Matt Harline, City Administrator
City of Centralia, Missouri
114 South Rollins Street
Centralia, Missouri 65240
(573) 682-2139

Dated: _____, 2015.

CITY OF CENTRALIA, MISSOURI

By UMB BANK, N.A., as trustee

BILL NO. _____

ORDINANCE NO. _____

A BILL TO CREATE AN ORDINANCE ENTITLED:

“AN ORDINANCE AUTHORIZING THE MAYOR OF THE CITY OF CENTRALIA, MISSOURI TO EXECUTE AN AMENDMENT TO AN ELECTRIC SERVICE AGREEMENT WITH ILLINOIS POWER MARKETING COMPANY REGARDING THE REQUIRED STANDBY LETTER OF CREDIT.”

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF CENTRALIA, MISSOURI, as follows:

SECTION 1. The Mayor of the City of Centralia, Missouri is hereby authorized to execute the amendment to the terms and conditions of the Electric Service Agreement with Illinois Power Marketing of Collinsville, Illinois (formerly known as Ameren Energy Marketing) regarding the required standby letter of credit.

SECTION 2. The terms and conditions shall be as described in the attached documents.

SECTION 3. This ordinance shall take effect and be in full force and effect from and after the 1st day of December, 2015.

PASSED this 16th day of November, 2015.

Tim Grenke, Mayor

ATTEST:

Heather Russell, City Clerk

This ordinance approved by the Mayor this 16th day of November, 2015.

Tim Grenke, Mayor

ATTEST:

Heather Russell, City Clerk

**SECOND AMENDMENT
TO
ILLINOIS POWER MARKETING COMPANY
ELECTRIC SERVICE AGREEMENT
TERMS AND CONDITIONS
BETWEEN THE CITY OF CENTRALIA, MISSOURI
AND
ILLINOIS POWER MARKETING COMPANY**

This **Second Amendment to the Illinois Power Marketing Company, formerly known as Ameren Energy Marketing, Electric Service Agreement Terms And Conditions** (“Second Amendment”) is entered into this 1st day of December, 2015 by and between the City of Centralia, Missouri, a municipality organized under the laws of the State of Missouri (“Customer”) and Illinois Power Marketing Company (“IPM”), a corporation organized and existing under the laws of the State of Illinois. Each of Customer and IPM may be hereinafter referred to individually as a “Party” and collectively as the “Parties.”

WITNESSETH:

WHEREAS, Customer and IPM are parties to that Illinois Power Marketing Company Electric Service Agreement dated April 18, 2012, as amended on September 19, 2012 (“2012 ESA”); and

WHEREAS, Customer and IPM further desire to amend the 2012 ESA; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements stated herein, which each Party hereto acknowledges to be sufficient consideration, Customer and IPM agree to further amend the 2012 ESA, as follows:

I. CREDIT SUPPORT

The existing first paragraph of Section 11, CREDIT SUPPORT, is hereby deleted in its entirety and replaced with the following:

IPM’s obligations hereunder shall be secured by an irrevocable standby Letter of Credit from a bank acceptable to Customer, as determined in a commercially reasonable manner, substantially in the form attached hereto as Attachment A (“Letter of Credit”). Such Letter of Credit shall be in the amount of \$500,000.

II. Full Force and Effect

Except as amended or modified in this Second Amendment, the 2012 ESA, as previously amended, shall continue in full force and effect according to its original terms.

IV. Definitions

Terms found in this Second Amendment and not defined herein shall have the same meaning as such terms are given in the 2012 ESA, as amended.

IN WITNESS WHEREOF, the Parties hereto have caused this Second Amendment to be executed in duplicate by their respective duly authorized officers, effective as of the date first written above.

CITY OF CENTRALIA, MISSOURI

**ILLINOIS POWER MARKETING
COMPANY**

By: _____

By: _____

Name: Tim Grenke

Name: _____

Title: Mayor, City of Centralia, Missouri

Title: _____

Attachment A

LETTER OF CREDIT

EXHIBIT FOR STANDBY LETTER OF CREDIT APPLICATION:
THIS EXHIBIT, IN THIS FINAL FORM, IS AN INTEGRAL PART OF AND MUST BE ATTACHED TO
UNION BANK, N.A. APPLICATION AND AGREEMENT FOR
IRREVOCABLE STANDBY LETTER OF CREDIT DATED _____, _____.
APPLICANT: ILLINOIS POWER MARKETING COMPANY

IRREVOCABLE *STANDBY* LETTER OF CREDIT NO. _____,
UNION BANK, N.A. TRADE SERVICE OPERATIONS
1980 SATURN STREET, V02-906
MONTEREY PARK, CALIFORNIA 91755-7417
ATTENTION: STANDBY LETTER OF CREDIT SECTION

DATE: DECEMBER 2, 2015

BENEFICIARY:
CITY OF CENTRALIA, MISSOURI
CENTRALIA CITY HALL
114 SOUTH ROLLINS
CENTRALIA, MO 65240
ATTN: _____

APPLICANT: ILLINOIS POWER MARKETING COMPANY
601 TRAVIS STREET, SUITE 1400
HOUSTON, TEXAS 77002
ATTN: CREDIT DEPARTMENT

LADIES AND GENTLEMEN:

AT THE REQUEST AND FOR THE ACCOUNT OF ILLINOIS POWER MARKETING COMPANY (THE 'APPLICANT'), [ADDRESS], AND ON BEHALF OF [NAME IF NECESSARY] (THE "ACCOUNT PARTY") WE, UNION BANK, N.A (THE "ISSUER"), HEREBY ESTABLISH, EFFECTIVE IMMEDIATELY, IN YOUR FAVOR, CITY OF CENTRALIA, MISSOURI (THE "BENEFICIARY"), OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. _____ IN THE AGGREGATE AMOUNT OF FIVE HUNDRED THOUSAND AND NO/100 UNITED STATES DOLLARS (U.S. \$500,000.00) (AS SUCH AMOUNT MAY BE REDUCED FROM TIME TO TIME BY PARTIAL DRAWS HEREUNDER, THE "STATED AMOUNT").

WE ARE INFORMED BY THE APPLICANT THAT THIS LETTER OF CREDIT IS BEING ISSUED PURSUANT TO, AND IN ACCORDANCE WITH THAT CERTAIN ELECTRIC SERVICE AGREEMENT, DATED AS OF APRIL 18, 2012, BETWEEN THE ACCOUNT PARTY AND THE BENEFICIARY (THE "AGREEMENT").

THIS LETTER OF CREDIT IS ISSUED, PRESENTABLE AND PAYABLE AT THE OFFICE LOCATED AT UNION BANK, N.A. TRADE SERVICE OPERATIONS, 1980 SATURN STREET V02-906 MONTEREY PARK CALIFORNIA 91755-7417 ATTENTION: STANDBY LETTER OF CREDIT SECTION _____, AND EXPIRES WITH OUR CLOSE OF BUSINESS ON DECEMBER 2, 2016 (THE "EXPIRATION DATE").

FUNDS IN PAYMENT OF A DRAWING UNDER THIS LETTER OF CREDIT ARE AVAILABLE TO THE BENEFICIARY BY PAYMENT AGAINST PRESENTATION AT THE OFFICE AS STIPULATED HEREIN ABOVE, OF THE BENEFICIARY'S SIGNED AND APPROPRIATELY COMPLETED SIGHT DRAFT(S) IN THE FORM OF EXHIBIT 1 ATTACHED HERETO, THE BENEFICIARY'S SIGNED AND APPROPRIATELY COMPLETED DRAWING CERTIFICATE(S) IN THE FORM OF EXHIBIT 2 ATTACHED HERETO AND COPIES OF THE ORIGINAL LETTER OF CREDIT AND AMENDMENTS (IF ANY).

IF A DRAWING COMPLYING WITH ALL TERMS AND CONDITIONS OF THIS LETTER OF CREDIT IS PRESENTED AT THE ADDRESS NOTED ABOVE OR DELIVERED TO US BY OVERNIGHT COURIER AT OR PRIOR TO 11:00 A.M. **CALIFORNIA TIME** ON A BUSINESS DAY, PAYMENT OF THE AMOUNT SPECIFIED IN SUCH DRAFT SHALL BE MADE ON THE SECOND SUCCEEDING BUSINESS DAY. IF SUCH DRAFT IS PRESENTED AT OUR COUNTERS OR DELIVERED TO US BY OVERNIGHT COURIER AFTER 11:00 A.M.

EXHIBIT TO APPLICATION,
PAGE 1 OF 4

APPLICANT'S SIGNATURE

APPLICANT'S SIGNATURE

DATE OF APPLICATION

DATE OF APPLICATION

EXHIBIT FOR STANDBY LETTER OF CREDIT APPLICATION:
THIS EXHIBIT, IN THIS FINAL FORM, IS AN INTEGRAL PART OF AND MUST BE ATTACHED TO
UNION BANK, N.A. APPLICATION AND AGREEMENT FOR
IRREVOCABLE STANDBY LETTER OF CREDIT DATED _____, _____.
APPLICANT: ILLINOIS POWER MARKETING COMPANY

CALIFORNIA TIME ON A BUSINESS DAY, PAYMENT OF THE AMOUNT SPECIFIED IN SUCH DRAFT SHALL BE MADE ON THE THIRD SUCCEEDING BUSINESS DAY.

BENEFICIARY MAY MAKE PRESENTATION UNDER THIS LETTER OF CREDIT ENTIRELY BY FACSIMILE TRANSMISSION. SUCH FACSIMILE TRANSMISSION SHALL BE ADDRESSED TO US ATTENTION: STANDBY LETTER OF CREDIT SECTION AND TRANSMITTED TO (323) 720-2773 WITHIN OUR NORMAL BUSINESS HOURS.

PARTIAL AND MULTIPLE DRAWINGS ARE PERMITTED HEREUNDER. ANY DRAWING HONORED HEREUNDER BY THE ISSUER SHALL REDUCE THE STATED AMOUNT AVAILABLE FOR DRAWINGS BY THE AMOUNT OF ANY DRAWING HONORED BY THE ISSUER. CERTIFICATION WITH RESPECT TO AMOUNTS DUE IN EXCESS OF THE AMOUNT OF THIS LETTER OF CREDIT IS ACCEPTABLE; HOWEVER, DRAWINGS ARE LIMITED TO THE AMOUNT AVAILABLE UNDER THIS LETTER OF CREDIT.

THIS LETTER OF CREDIT IS NOT TRANSFERABLE.

ALL BANKING CHARGES ASSOCIATED WITH THIS LETTER OF CREDIT ARE FOR THE ACCOUNT OF THE APPLICANT.

AS USED HEREIN, "BUSINESS DAY" MEANS ANY DAY OTHER THAN SATURDAY, SUNDAY OR A LEGAL HOLIDAY IN LOS ANGELES, CALIFORNIA.

THIS LETTER OF CREDIT IS SUBJECT TO AND GOVERNED BY THE INTERNATIONAL STANDBY PRACTICES, INTERNATIONAL CHAMBER OF COMMERCE (ICC) PUBLICATION NO. 590 ("ISP98"). AS TO MATTERS NOT ADDRESSED BY THE ISP98, AND TO THE EXTENT NOT INCONSISTENT WITH THE ISP98, THIS LETTER OF CREDIT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK (INCLUDING, WITHOUT LIMITATION, ARTICLE 5 OF THE UNIFORM COMMERCIAL CODE OF THE STATE OF NEW YORK).

THIS LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING AND SUCH UNDERTAKING SHALL NOT IN ANY WAY BE MODIFIED, AMENDED OR AMPLIFIED BY REASON OF OUR REFERENCE TO ANY AGREEMENTS OR INSTRUMENT REFERRED TO OR IN WHICH THIS LETTER OF CREDIT IS REFERRED TO. ANY SUCH AGREEMENTS OR INSTRUMENT SHALL NOT BE DEEMED INCORPORATED HEREIN BY REFERENCE.

SINCERELY,

UNION BANK, N.A.

NME : _____

TITLE: _____

EXHIBIT TO APPLICATION,
PAGE 2 OF 4

APPLICANT'S SIGNATURE

APPLICANT'S SIGNATURE

DATE OF APPLICATION

DATE OF APPLICATION

EXHIBIT FOR STANDBY LETTER OF CREDIT APPLICATION:
THIS EXHIBIT, IN THIS FINAL FORM, IS AN INTEGRAL PART OF AND MUST BE ATTACHED TO
UNION BANK, N.A. APPLICATION AND AGREEMENT FOR
IRREVOCABLE STANDBY LETTER OF CREDIT DATED _____, _____.
APPLICANT: ILLINOIS POWER MARKETING COMPANY

EXHIBIT 1

[BENEFICIARY LETTERHEAD]

SIGHT DRAFT

[DATE]

UNION BANK, N.A.
TRADE SERVICE OPERATIONS
1980 SATURN STREET, V02-906
MONTEREY PARK, CALIFORNIA 91755-7417
ATTENTION: STANDBY LETTER OF CREDIT SECTION

RE: IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER _____

FOR THE VALUE RECEIVED, PAY TO THE ORDER OF [BENEFICAIRY NAME] BY WIRE TRANSFER OF
IMMEDIATELY AVAILABLE FUNDS TO THE FOLLOWING ACCOUNT:

[NAME OF ACCOUNT]
[ACCOUNT NUMBER]
[NAME AND ADDRESS OF BANK AT WHICH ACCOUNT IS MAINTAINED]
[ABA NUMBER]
[REFERENCE]

THE FOLLOWING AMOUNT:

[INSERT NUMBER OF DOLLARS IN WRITING] UNITED STATES DOLLARS
(US\$ [INSERT NUMBER OF DOLLARS IN FIGURES])

DRAWN UPON YOUR LETTER OF CREDIT NO. _____ DATED _____, 2014

BY: _____

NAME: _____

TITLE: _____

EXHIBIT TO APPLICATION,
PAGE 3 OF 4

APPLICANT'S SIGNATURE

APPLICANT'S SIGNATURE

DATE OF APPLICATION

DATE OF APPLICATION

EXHIBIT FOR STANDBY LETTER OF CREDIT APPLICATION:
THIS EXHIBIT, IN THIS FINAL FORM, IS AN INTEGRAL PART OF AND MUST BE ATTACHED TO
UNION BANK, N.A. APPLICATION AND AGREEMENT FOR
IRREVOCABLE STANDBY LETTER OF CREDIT DATED _____, _____.
APPLICANT: ILLINOIS POWER MARKETING COMPANY

EXHIBIT 2

DRAWING CERTIFICATE

[DATE]

UNION BANK, N.A.
TRADE SERVICE OPERATIONS
1980 SATURN STREET, V02-906
MONTEREY PARK, CALIFORNIA 91755-7417
ATTENTION: STANDBY LETTER OF CREDIT SECTION

RE: IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER _____

LADIES AND GENTLEMEN:

THE UNDERSIGNED, A DULY AUTHORIZED REPRESENTATIVE OF [BENEFICIARY NAME] (THE "BENEFICIARY") OF THE CAPTIONED LETTER OF CREDIT (THE "LETTER OF CREDIT"), HEREBY CERTIFIES TO UNION BANK, N.A. (THE "ISSUER") WITH RESPECT TO THE LETTER OF CREDIT (THE TERMS DEFINED THEREIN AND NOT OTHERWISE DEFINED HEREIN BEING USED HEREIN AS THEREIN DEFINED) THAT:

THE AMOUNT BEING DRAWN PURSUANT TO THIS CERTIFICATE IS THE AMOUNT DUE AND OWING (BEYOND ANY APPLICABLE NOTICE OR GRACE PERIODS) TO BENEFICIARY UNDER THE AGREEMENT.

IN WITNESS WHEREOF, THE UNDERSIGNED HAS EXECUTED THIS DRAWING CERTIFICATE AS OF THE

____ DAY OF _____ 20__.

BY: _____

NAME: _____

TITLE: _____

EXHIBIT TO APPLICATION,
PAGE 4 OF 4

APPLICANT'S SIGNATURE

APPLICANT'S SIGNATURE

DATE OF APPLICATION _____

DATE OF APPLICATION _____



Braik Brothers

tree care & green waste recycling

City of Centralia
114 South Rollins
Centralia MO 65240

ATTN: Phil Hoffman

Subject: Tub Grinding

Prevailing Wage: NO

Double grind all the green waste located at the city dump site into a suitable landscape product.

Bid Price: \$29,500.00

Submitted by:
Matthew Hunt

Customer_____Date_____

According to the following terms and for the following fees and do hereby agree to payment in full, should customer fail to make full payment by the invoice due date, he or she shall be responsible for the cost of collection including the cost of attorney's fees. Any dispute shall be resolved in the State of Missouri, County of Boone.



104 Hansen Court
O'Fallon, MO 63366
Phone: 636-379-1830 Fax: 636-379-1866
www.hansenstree.com

November 16, 2015

City of Centralia
114 South Rollins
Centralia, MO 65240
573-682-2137 office
573-682-5956 fax

Attn: Phil Hoffmann
publicworks@centraliamo.org

**Hereby authorize Hansen's Tree Service, Inc., to provide services at:
Job Location: Brush Grinding at the City Site
According to the following terms, for the following fees:**

Hansen's to provide a Horizontal Grinder and an Excavator with a Grapple to grind up a large brush pile through smaller screens to provide a finished mulch product the City can use. All grindings will be left on site.

Total: \$19,750.00

*The City of Centralia is responsible for access to the site and for support to the grinding process. The City of Centralia will also be responsible for the additional cost of repairing Hansen's equipment if damages occur from hitting foreign debris (steel, concrete, rebar, etc.) that is mixed in with the materials that are to be ground.

**Hansen's is not responsible for the grinding, hauling, or disposal of any garf piles created if the city pushes dirt into the piles with the materials that are to be ground.

Payment is due upon completion.

Submitted by:

Ken Byrne
Certified Arborist
MW4461A

Customer _____ Date _____

** Above agreement must be signed & returned prior to scheduling work**

According to the following terms and for the following fees and do hereby agree to payment in full upon completion, should customer fail to make full payment by date set forth, he or she shall be responsible for the cost of collection including the cost of attorney's fees. Any dispute shall be resolved in the State of Missouri, County of St. Charles.



**CHAMBER BOARD MEETING
TUESDAY, NOVEMBER 10
AGENDA
12:00**

REGULAR MEETING

- Financial & Directors Reports & Membership Report
- Review of Minutes for October.
- Anchor City Cook Off Preliminary P & L
 - Red Wagon Parade-December 5
 - Tractor Parade-December 18
 - Elf on the Shelf-Prizes
- Community for Kids
- Other Business

ASSETS AS OF OCTOBER 31, 2015

	Chamber Accounts	Anchor Fest Accounts	Kops for Kids
Checking	\$ 29,755.30	\$60,955.98	\$1,100.82
CD's	\$	\$11,714.44 (1)	
Martinsburg-BBQ	\$ 3,454.00		
Totals	\$33,209.30	\$72,671.42	\$ 1,100.82

GRAND TOTAL \$106,981.54

MEMBERSHIP SUMMARY

Anniversary Months	No. from Renewals 14-15		New Members	New Business
January	1	1		
February	5	5	1	
March	4	4	2	
April	5	5		
May	2	2		
June	3	3		
July	6	4	3	
August	11	11		
September	12	12		
October	13	13		
November	8	8	1	
December	3	3		
Total Current Membership---78				

BOARD OF DIRECTORS MEETING

OCTOBER 13, 2015

The following board members were present Teri Evans, Neva Wilkerson, Amy Byergo, Don Bormann, Jeff Grimes. Ex Officio Members Ginny Zoellers and Matt Harline. Chamber Linda Bormann.

The board spent some time looking over a new formatted itemized budget that is easier to read and understand with multiple accounts and monies from events separate from Chamber General Funds.

The board discussed the Elf on the Shelf promotion. The promotion will be for the holiday season. The Chamber will print up Small elves that can be hidden in local Chamber member businesses. The elf will be modified to have the Panther logo for Centralia. The Elf on the Shelf will travel around Centralia like he did last year with pictures of his locations coming up on Facebook periodically looking for the elves hidden in the stores. The shopper will need to find the elves in the participating business and have a score card marked for each of the elves they find. The more elves you find the greater chance for a prize. The Elf theme will also be used for the Red Wagon Christmas Parade. A committee will meet on October 20 to discuss the logistics of the idea. The promotion will start on Black Friday and run until December 18th.

The board then moved to some discussions about updating the current Job Description and Evaluations to better fit the position. A committee will meet and make recommendations at a future meeting.

Year to date Chamber Income 4/1/15-3/31/2016

Month	Dues	Annual Dinner	Misc. Income								
April	\$ 695.00	\$ 1,423.00									
May	\$ 290.00										
June	\$ 519.00		\$ 12.27								
July	\$ 147.50										
August	\$ 919.00										
September	\$ 985.00										
October	\$ 1,109.00										
November											
December											
January											
February											
March											
Total	\$ 4,664.50	\$ 1,423.00	\$ 12.27								
Year to date Chamber Expenses 4/1/15-3/31/15											
Month	Electrical	Gas	Misc. Expenses	Office	Rent	Salaries-Gross	Telephone	Taxes	Advertising	Memberships	Insurance
April	\$ 37.45	\$ 39.08			\$ 360.00	\$ 1,100.00	\$ 202.71	\$ 697.00	\$ 60.00		
May	\$ 34.72	\$ 20.99		\$ 99.99	\$ 360.00	\$ 1,100.00	\$ 208.23	\$ 150.00			
June	\$ 32.85	\$ 18.27	\$ 350.00	\$ 71.99	\$ 360.00	\$ 1,600.00	\$ 289.61				\$ 563.00
July	\$ 67.36	\$ 19.06	\$ 50.00		\$ 360.00	\$ 1,100.00	\$ 205.90	\$ 798.44			
August	\$ 84.29	\$ 18.60			\$ 360.00	\$ 1,100.00	\$ 121.55		\$ 160.00	\$ 150.00	\$ 435.00
September	\$ 85.11	\$ 18.61			\$ 360.00	\$ 1,100.00	\$ 294.16		\$ 160.00		
October		\$ 18.61		\$ 58.99	\$ 360.00	\$ 1,350.00	\$ 217.48	\$ 706.77			
November											\$ 1,222.00
December											
January											
February											
March											
Total	\$ 341.78	\$ 153.22	\$ 400.00	\$ 230.97	\$ 2,520.00	\$ 8,450.00	\$ 1,539.64	\$ 2,352.21	\$ 380.00	\$ 150.00	\$ 2,220.00

Year to Date Anchor Festival Income 4/1/15-3/31/16

Month	Booths	Carnival	Car Show	Sponsorship						
April	\$ 2,475.00		\$ 225.00	\$ 150.00						
May	\$ 3,833.00	\$ 34,460.00	\$ 5,195.00	\$ 1,700.00						
June	\$ 8,099.42	\$ 97,055.76	\$ 156.00	\$ 1,200.00						
July				\$ 850.00						
August										
September										
October										
November										
December										
January										
February										
March										
Total	\$ 14,407.42	\$ 131,515.76	\$ 5,576.00	\$ 3,900.00						
Year to Date Anchor Festival Expenses 4/1/15-3/31/16										
Month	Advertising	Misc. Expenses	Printing	Entertainment	Souv. And	Health Insp	Scholarship	Carnival	Donation	Meetings
April		\$ 17.33	\$ 736.05							
May		\$ 2,331.79	\$ 12.00	\$ 15,150.00						200
June	\$ 6,952.00	\$ 2,077.89	\$ 4,327.63	\$ 1,227.37	\$ 79.95	\$ 600.00		\$ 96,343.40	\$ 700.00	
July										
August							\$ 2,000.00			
September		\$ 67.50								
October								\$ 300.00		
November										
December										
January										
February										
March										
Total	\$ 6,952.00	\$ 4,494.51	\$ 5,075.68	\$ 16,377.37	\$ 79.95	\$ 600.00	\$ 2,000.00	\$ 96,343.40	\$ 1,000.00	\$ 200.00

Proposed 2016 Fiscal Year Budget April 1-March 31

Categories	Budget	Monthly	Year to Date	Remaining
Chamber Income				
Dues Income	\$ 6,200.00	\$ 1,109.00	4664.5	\$ 1,535.50
E.D. Donations	\$ 6,750.00	\$ -	0	\$ 6,750.00
Meeting Income	\$ 2,500.00	\$ -	1423	\$ 1,077.00
Misc. Income	\$ 400.00	\$ -	12.27	\$ 387.73
Ornament Receipts	\$ 10.00	\$ -	0	\$ 10.00
Coop Advertising	\$ 1,600.00	\$ -	0	\$ 400.00
Total Income	\$ 17,460.00	\$ 1,109.00	0	\$ 17,460.00
Anchor Festival Income				
Booths	\$ 14,300.00	\$ -	14407.42	\$ (107.42)
Carnival	\$ 134,000.00	\$ -	131515.76	\$ 2,484.24
Special Events	\$ 5,000.00	\$ -	5576	\$ (576.00)
Health Dept Fee	\$ 650.00	\$ -	0	\$ 650.00
Sponsorship	\$ 6,000.00	\$ -	3900	\$ 2,100.00
Total Income	\$ 159,950.00	\$ -	155399.18	\$ 4,550.82
BBQ Income				
All Entries	\$ 6,126.00	\$ 2,514.00	5022	\$ 1,104.00
Raffle	\$ 1,000.00	\$ 733.00	998	\$ 2.00
Misc. Income	\$ -	\$ -	0	\$ -
Vendor	\$ 125.00	\$ 30.00	105	\$ 20.00
Sponsorship	\$ 5,075.00	\$ 200.00	2575	\$ 2,500.00
	\$ 12,326.00	\$ 3,477.00	\$ 8,700.00	\$ 3,626.00
Chamber Expense				
Advertising	\$ 3,600.00		380	\$ 3,220.00
Christmas Expense	\$ 300.00	\$ -	0	\$ 300.00

Donation		\$ -		1000	\$ (1,000.00)
DSL		\$ 764.80	\$ -	0	\$ 764.80
Electric		\$ 541.57	\$ 85.11	341.78	\$ 199.79
Gas		\$ 560.00	\$ 18.61	153.22	\$ 406.78
Insurance		\$ 2,700.00	\$ 1,222.00	2220	\$ 480.00
Meeting Expense		\$ 2,000.00	\$ -	1018.5	\$ 981.50
Membership		\$ 225.00		150	\$ 75.00
Misc. Expenses		\$ 2,329.51	\$ -	400	\$ 1,929.51
Office Equipment and Supplies		\$ 700.00	\$ 58.99	230.97	\$ 469.03
Taxes		\$ 3,000.00	\$ 706.77	2352.21	\$ 647.79
Postage		\$ 300.00	\$ -	342	\$ (42.00)
Printing		\$ 1,000.00	\$ -	736.05	\$ 263.95
Rent-Storage		\$ 1,620.00	\$ 160.00	1120	\$ 1,620.00
Rent-Office		\$ 2,400.00	\$ 200.00	1400	\$ 1,000.00
Salaries-Gross		\$ 13,950.00	\$ 1,350.00	8450	\$ 5,500.00
Signage		\$ 100.00	\$ -	0	\$ 100.00
Souv.-Awards		\$ 600.00	\$ -	2774.9	\$ (2,174.90)
Christmas Decorations		\$ 4,290.00	\$ -	203.13	\$ 4,086.87
Telephone		\$ 2,000.00	\$ 217.48	1539.64	\$ 460.36
Web Page		\$ 200.00	\$ -	0	\$ 200.00
Purchase with a Purpose		\$ 500.00	\$ 0.00	0	\$ 500.00
		\$ 43,680.88	\$ 4,018.96	\$ 24,812.40	\$ 19,988.48
Anchor Festival Expense					
		Budget	Monthly	Year to Date	Remaining
Advertising		\$ 7,000.00	\$ -	6952	\$ 48.00
Food Vouchers		\$ 200.00	\$ -	152	\$ 48.00
Health Dept. Fee		\$ 570.00	\$ -	600	\$ (30.00)
Misc. Expenses		\$ 3,000.00		4494.51	\$ (1,494.51)
Printing		\$ 4,500.00	\$ -	5075.58	\$ (575.58)
Bank Charges		\$ 80.00	\$ -	0	\$ 80.00
Carnival Expenses		\$ 96,878.00	\$ -	96343.4	\$ 534.60
Entertainment		\$ 15,500.00	\$ -	16377.37	\$ (877.37)
Insurance		\$ 1,500.00	\$ -	0	\$ 1,500.00
Souv.-Awards		\$ 2,200.00	\$ -	79.95	\$ 2,120.05
Scholarship		\$ 2,000.00		2000	\$ -

Electrical		\$	-		0	\$	-
Meetings		\$	775.00		200	\$	575.00
Membership		\$	65.00		0	\$	65.00
Total Expense		\$	134,268.00	\$	-	132274.81	\$ 1,993.19
BBQ Expense			Budget	Monthly	Year to Date		Remaining
Advertising		\$	1,100.00		\$ 350.00	\$	750.00
Entertainment		\$	1,500.00	\$ 1,075.00	\$ 1,075.00	\$	425.00
KCBS Fees		\$	1,300.00	\$ 818.50	\$ 818.50	\$	481.50
Misc. Expense		\$	200.00	\$ 250.00	\$ 261.96	\$	(61.96)
Porta Potties		\$	345.00	\$ 345.00	\$ 345.00	\$	-
Printing		\$	1,000.00	\$ 1,103.50	\$ 1,283.50	\$	(283.50)
Awards		\$	6,000.00	\$ 5,323.10	\$ 5,323.10	\$	676.90
Raffle		\$	200.00		\$ 499.00	\$	(299.00)
		\$	11,645.00	\$ 8,915.10	\$ 9,956.06	\$	1,688.94

MINUTES OF BOARD OF DIRECTORS MEETING

NOVEMBER 10, 2015

The following board members were present Neva Wilkerson, Jeff Grimes, Mike Watson, Amy Byergo and Teri Evans. Also present ex officio members Matt Harline and Ginny Zoellers and chamber member Linda Bormann.

The minutes of the October meeting and the financials were reviewed and approved. The board looked at a preliminary P & L for the BBQ Contest. At this point it is holding its own as far as the finances are concerned. It was noted that more sponsorship money and booking entertainment early enough to apply for the MAC grant would have increased the profit.

The board reviewed the Christmas Activities:

Red Wagon parade December 5 Line up 9 parade 9:30

Santa visits will be after the parade and before the tractor parade. The house will be moved back to the square this year.

Gingerbread House Displays Dec. 5

Lighted Tractor Parade Dec. 18

Elf promotion for the Christmas shopping season. Still waiting for the mock up of the Elf from Richmans. A newsletter has been written up to send out as soon as that is available.

The board discussed the CREDI rep. In January the board will pass around a list of their scheduled meetings and board members will take turns going to the meetings. Neva will ask CREDI about who the voting member of their board would be. The board approved buying a table for the CREDI event.

The board discussed how the Centralia Fairgrounds could possibly be used for parts of the Boone County Fair that will be held in Sturgeon. Jeff Grimes will make contact Mayor Gene Kelly and talk with him about that possibility and how we can help.

The board discussed the earlier talked about art with Anchors display that was discussed a year or so ago. This will be on the January agenda so that it can be planned for the 2016 AF.



Allen St

Speed St